

tional Capital," approved May 29, 1930; to the Committee on Public Buildings and Grounds.

By Mr. ROBERTSON of North Dakota: H. R. 6390. A bill to provide for the payment of a bonus of 45 cents per bushel for all wheat, 55 cents per bushel for all corn, and 5 cents per bushel for oats purchased and sold between January 1, 1945, and April 18, 1946, and providing for payment of additional bonuses if paid by the United States Government; to the Committee on Agriculture.

By Mr. McMILLAN of South Carolina: H. R. 6391. A bill to provide for daylight saving in the District of Columbia; to the Committee on the District of Columbia.

By Mr. HARLESS of Arizona: H. R. 6392. A bill to amend the act of July 1, 1944, relating to contract settlement; to the Committee on the Judiciary.

By Mr. BLOOM: H. R. 6393. A bill to amend the act entitled "An act for the creation of an American Battle Monuments Commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes," approved March 4, 1923, as amended, in order to extend the Commission's authority to all areas in which our armed forces have operated during World War II, and for other purposes; to the Committee on Foreign Affairs.

By Mr. JUDD: H. R. 6394. A bill to amend section 339 of the Nationality Act of 1940, as amended (54 Stat. 1160, Public Law 221, ch. 2, 78th Cong., 2d sess.; 8 U. S. C. 739); to the Committee on Immigration and Naturalization.

By Mr. SUMNERS of Texas: H. Res. 613. Resolution authorizing that there be printed for the use of the Committee on the Judiciary of the House of Representatives additional copies of House Report No. 1980, accompanying the bill (S. 7) to improve the administration of justice by prescribing fair administrative procedure; to the Committee on Printing.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and several referred as follows:

By Mr. CLASON: H. R. 6395. A bill for the relief of Edward Polka (also known as Edward Polkova), deceased; to the Committee on Claims.

By Mr. BIEMILLER: H. R. 6396. A bill for the relief of Christ Nick Vans, alias Christos Nick Ventouras; to the Committee on Immigration and Naturalization.

By Mr. D'EWART: H. R. 6397. A bill to authorize the Secretary of the Interior to sell certain lands in the State of Montana to Warren E. Kelsey; to the Committee on Indian Affairs.

By Mr. KLEIN: H. R. 6398. A bill for the relief of Takeshi Tanaka; to the Committee on Immigration and Naturalization.

By Mr. LARCADE: H. R. 6399. A bill for the relief of Caesar Henry; to the Committee on Claims.

By Mrs. LUCE: H. R. 6400. A bill for the relief of Joaquim Coelho; to the Committee on Immigration and Naturalization.

By Mr. PHILLIPS: H. R. 6401. A bill for the relief of Mary W. Wertz; to the Committee on Claims.

By Mr. RANDOLPH: H. R. 6402. A bill for the relief of Mrs. Myrtle L. Arnett; to the Committee on Claims.

By Mr. ROE of New York: H. R. 6403. A bill for the relief of Mrs. Amelia Shidzee Nagamine Toneman; to the Committee on Immigration and Naturalization.

By Mr. WICKERSHAM: H. R. 6404. A bill for the relief of Mrs. Mae H. Fitzgerald; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1871. By Mr. CLASON: Memorial of the General Court of Massachusetts, urging the Congress of the United States to amend the Federal old-age-assistance laws immediately so as to permit the matching with Federal funds of all amounts expended by States or their political subdivisions on account of old-age assistance; to the Committee on Ways and Means.

1872. Also, memorial of the General Court of the Commonwealth of Massachusetts, requesting the President of the United States to issue such orders to the Secretary of War as will prevent the closing of Fort Devens and Lovell General Hospital; to the Committee on Military Affairs.

1873. By Mr. GOODWIN: Petition of residents of Reading, Mass., and vicinity, in opposition to the Wagner-Murray-Dingell bill; to the Committee on Ways and Means.

1874. By the SPEAKER: Petition of the California Junior Statesmen of America, petitioning consideration of their resolution with reference to disapproval of a peacetime military-training program, and continuation of the selective service; to the Committee on Military Affairs.

## SENATE

FRIDAY, MAY 10, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Lord God omnipotent, who art above all nations, and yet who dost dwell with those of an humble and a contrite heart, by Thine indwelling presence cleanse us now from the soil and defilement of the clamoring calls of these hectic days; flow through us like clean waters, and carry from our hearts the tensions, the resentments, the irritations, and the corroding fears which spoil the music of our lives. Open our eyes to the faults and evils which mar our democracy, and which we so readily condemn in other nations. Forgive us for our arrogant contempt of other races; give us to see that the best and the beautiful anywhere belongs to Thy children everywhere, and so is not to be stored, but poured, and that the high and holy things of every nation are from God and for all. We ask it in the dear Redeemer's name. Amen.

#### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, May 9, 1946, was dispensed with, and the Journal was approved.

#### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting

nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 10 and 23 to the bill and concurred therein; and that the House receded from its disagreement to the amendments of the Senate numbered 20 and 30, each with an amendment in which it requested the concurrence of the Senate.

#### ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3936) to provide for the evacuation and return of the remains of certain persons who died and are buried outside the continental limits of the United States, and it was signed by the President pro tempore.

#### ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on May 9, 1946, he presented to the President of the United States the following enrolled bills:

S. 997. An act for the relief of Aldona Kojas;

S. 1442. An act for the relief of George O. Weems;

S. 1742. An act for the relief of Socony-Vacuum Oil Co.;

S. 1747. An act for the relief of John C. Spargo;

S. 1812. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of explosions at the naval ammunition depot, Hastings, Nebr., on April 6, 1944, and September 15, 1944; and

S. 1961. An act to exempt from taxation certain property of the Disabled American Veterans in the District of Columbia.

#### EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate the following letters, which were referred as indicated:

LAWS PASSED BY MUNICIPAL COUNCIL OF ST. THOMAS AND ST. JOHN AND LEGISLATIVE ASSEMBLY OF THE VIRGIN ISLANDS

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of legislation passed by the Municipal Council of St. Thomas and St. John, and by the Legislative Assembly of the Virgin Islands (with accompanying papers); to the Committee on Territories and Insular Affairs.

REPORT OF FEDERAL PRISON INDUSTRIES, INC.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on audit of Federal Prison Industries, Inc., for the fiscal year ended June 30, 1945 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

**THE COAL STRIKE—LETTER FROM  
WALTER O. CURTIS**

Mr. CAPPER. Mr. President, I have received a letter from Walter O. Curtis, executive secretary of the Chamber of Commerce of Clay Center, Kans., which appeals to the authorities to protect the public against the coal strike. I ask unanimous consent to have this letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE,  
Clay Center, Kans., May 6, 1946.

(Re coal strike.)

Senator ARTHUR CAPPER,  
Washington, D. C.

DEAR SENATOR: When industry combined and throttled America we had nerve enough to pass the Sherman antitrust law, not because we were against industry, but because we had to be protected against their racketeering.

The labor situation today is a hundred-fold greater menace.

We have the machinery for control, yet you pass a puny bill to control one man—a shame on the intellect of our legislators forever.

Where is your sense of responsibility to 140,000,000 people? You let a few men, for the past 5 weeks, maintain a conflagration that is devastating our entire economy. Your constituents can't get repairs for their machinery—food cannot be shipped—all industry is closing down—yet not a move is made at the controls.

We are back of you to make any move that is necessary to end this coal strike at once. Assert the power that the Constitution gives you—indicate to us that you have the nerve of your predecessors—not because you are against labor but against racketeering and for America as a whole and not one class.

Finally, never consent to an excise tax on coal or any other product, when not levied by our Government.

This letter is extremely critical, as it must be, in order to help you sense the undercurrent of revolt among the electorate in this area against present conditions.

Sincerely,

THE BOARD OF DIRECTORS,  
CHAMBER OF COMMERCE,  
WALTER O. CURTIS,  
Executive Secretary.

**PRINTING OF PRAYERS OF THE CHAP-  
LAIN OF THE SENATE**

Mr. HAYDEN. Mr. President, from the Committee on Printing, I ask unanimous consent to report favorably without amendment Senate Resolution 252, submitted by me on April 8, 1946, providing for the printing of 2,500 copies of the prayers of the Chaplain of the Senate. I request consent for the immediate consideration of the resolution.

There being no objection, the resolution was considered and agreed to as follows:

Resolved, That 2,500 copies of the prayers offered by the Reverend Frederick Brown Harris, doctor of divinity, Chaplain of the Senate, at the opening of the daily sessions of the Senate during the Seventy-seventh, Seventy-eighth, and Seventy-ninth Congresses, inclusive, be printed and bound for the use of the Senate.

**PERSONS EMPLOYED BY COMMITTEES  
WHO ARE NOT FULL-TIME SENATE OR  
COMMITTEE EMPLOYEES**

The PRESIDING OFFICER laid before the Senate a report for the month of

April 1946, from the chairman of a certain committee, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

UNITED STATES SENATE,  
SENATE COMMITTEE ON PUBLIC  
LANDS AND SURVEYS,  
May 6, 1946.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of April, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944. (See following memorandum.)

CARL A. HATCH, Chairman.  
STEWART A. HATCH, Clerk.

MAY 6, 1946.

To: Senator CARL A. HATCH, chairman, Senate Committee on Public Lands and Surveys.

From: Senator PAT MCCARRAN, chairman, Subcommittee To Investigate the Administration and Use of Public Lands.

The following persons have been assigned by the Forest Service, Department of Agriculture, to assist with the work of the above-named subcommittee:

E. S. Haskell, senior administrative officer, Forest Service, CAF-12; basic salary, \$5,000 per annum.

Elizabeth Heckman, clerk, CAF-5, basic salary, \$2,000 per annum.

**BILLS INTRODUCED**

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RUSSELL:

S. 2175. A bill for the relief of Louise S. Page; to the Committee on Claims.

By Mr. BUSHFIELD:

S. 2176. A bill authorizing the issuance of a patent in fee to Charles Kills The Enemy; to the Committee on Indian Affairs.

**MEDIATION OF LABOR DISPUTES—  
AMENDMENT**

Mr. BYRD. Mr. President, I ask unanimous consent to submit an amendment intended to be proposed by me to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes. The amendment provides for the incorporation of labor unions. I request that the amendment lie on the table, be printed, and be printed in the RECORD, and also that a statement explanatory thereof may be printed in the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Virginia? The Chair hears none.

The amendment intended to be proposed by Mr. BYRD to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

At the end of the bill, insert the following:

**"REGISTRATION**

"SEC. —. (a) Within 6 months after the date of enactment of this act and annually thereafter every labor organization having as members one or more employees of persons engaged in commerce shall register its identity with the Securities and Exchange Commission and shall state under oath the follow-

ing information and such other information as the Commission may by regulations require: The name of the labor organization; the address at which it has its principal office; the names and titles of the officers and their annual compensation; the company or companies with which the labor organization deals, if a local organization; the industry or industries in which the labor organization operates, if a national organization; initiation fees; annual dues charged to each member; assessments levied during the past 12 months' period; limitations on membership; number of paid-up members; date of the last election of officers; the method of election; the vote for and against each candidate for office; and the date of the last detailed financial statement furnished all members and the method of publication or circulation of such statement. With such information shall be filed under oath, in accordance with such rules and regulations as the Commission may prescribe, detailed and intelligible financial statements and a copy of the articles of incorporation and bylaws of the labor organization.

"(b) Every labor organization incorporated after the date of enactment of this act having as members one or more employees of persons engaged in commerce shall, when incorporated and annually thereafter, register with the Commission and furnish the information required of existing labor organizations under the provisions of this section.

**"INCORPORATION**

"SEC. —. Every labor organization having as members one or more employees of persons engaged in commerce shall, prior to its initial registration with the Securities and Exchange Commission, as provided in this act, take out articles of incorporation under the laws of the District of Columbia, except that, if permitted by the laws of the State in which a labor organization has its principal place of business, such articles of incorporation may be taken out under the laws of such State. Each such labor organization when incorporated shall have the capacity to act possessed by a natural person, shall be liable for the acts of its officers, members, or agents, to the same extent and in the same manner as ordinary business corporations, and shall have the power—

"(a) to continue as a corporation for the time specified in its articles;

"(b) to have a corporate seal and the power to alter it;

"(c) to sue and be sued in its corporate name;

"(d) to make bylaws for the government and regulation of its affairs;

"(e) to acquire, own, hold, sell, lease, pledge, mortgage, or otherwise dispose of any property incident to its purposes and activities;

"(f) to conduct its affairs within or without the District of Columbia;

"(g) to exercise any power granted to ordinary business corporations consistent with its purposes and activities;

"(h) to exercise all powers not inconsistent with this joint resolution which may be necessary, convenient, or expedient for the accomplishment of its lawful purposes and, to that end, the foregoing enumeration of powers shall not be deemed exclusive.

**"PENALTIES**

"SEC. —. (a) No labor organization having as members one or more employees of persons engaged in commerce and no member thereof shall be entitled to any rights, privileges, or benefits under the National Labor Relations Act unless and until such organization complies with the provisions of this act.

"(b) In the event any such labor organization is held by the final decision of a court of competent jurisdiction to have breached its employment contract with any employer or to have unlawfully damaged or destroyed



the property of any employer, such organization shall not be recognized as a labor organization, or a representative of employees, under the National Labor Relations Act insofar as any matter relating to employees of such employer is concerned.

#### "DEFINITIONS"

"SEC. —. When used in this act the terms 'person,' 'employer,' 'employee,' 'representative,' 'labor organization,' and 'commerce' shall have the same meaning as is given to those terms by section 2 of the National Labor Relations Act. In addition, the term 'labor organization' shall include national and international organizations having as members labor organizations as defined in said section 2."

The explanatory statement presented by Mr. BYRD, is as follows:

#### STATEMENT IN EXPLANATION OF AMENDMENT TO H. R. 4908, TO PROVIDE FOR INCORPORATION AND REGISTRATION OF LABOR ORGANIZATIONS

There can be no hope for prosperity and industrial peace for America until the equality of rights of all citizens, corporations, and organizations is written into law on a basis of justice to all.

I want to emphasize that many labor unions are faithful to their contracts and obligations, but some of outstanding importance have violated contractual obligations, for which such unions should be held to the same accountability as would be done in the case of an industrial corporation. Strikes in basic industries which supply vital materials can shut down thousands of others. Unless contracts between labor and industry are observed and have the same legal status as other contracts, we can only look forward to a long period of industrial strife and business chaos.

A manufacturer who makes a contract with a labor union must have confidence in the performance of that agreement in order to plan his operations. Yet the union may breach its contract and management has no redress in law, although the union is free to resort to all legal processes as well as illegal pressures to enforce the same contract.

With a debt approaching \$300,000,000,000 we can only service this debt and perform our essential function of government by means of a high national income. This will be most difficult under the most favorable conditions, and it is possible only by an uninterrupted industrial production.

In the years gone by industrial corporations undoubtedly abused their power. The result was that the Congress created the Securities and Exchange Commission for the purpose of protecting the welfare of the public. This act has served well and has eliminated most of the abuses that theretofore existed in corporate management. Now the shoe is on the other foot. The labor unions have great power—virtually the power of life and death over the economic progress of America. Hand in hand with power goes an equivalent responsibility. For years we have seen repeated instances of broken union contracts—of sympathy strikes to encourage and support strikers working for some other corporation, the sympathy strikers having no grievance against their own employer. We have seen, time and again, jurisdictional strikes, strikes arising from disputes between two unions when the employer is in no manner involved, yet must suffer the consequences and losses resulting from shutting down his plant. This lack of union responsibility has reached an intolerable stage.

I am strongly for collective bargaining, but bargaining must mean what it says—namely, that a bargain made is equally binding on both parties to the agreement. I believe in the inherent right of labor to organize. Labor unions have a proper place in the

economic life of America. Unions are here to stay, but if we are to have orderly business conditions, labor unions as such must have the same legal responsibility to perform their contracts as the owners of industry. If one can be sued for violation of a contract, the other should be in the same status. When two parties make a contract, if that contract is to mean anything, there must be a mutuality of responsibility. This does not now exist between labor and industry. Why should a labor union as such be exempt from liability for the damages resulting from broken contracts when all citizens and business corporations can be sued when a contract is violated? We may as well try to build a house without a foundation as to enact legislation to prevent industrial and labor strife without first providing for mutual responsibility.

I realize the problem is difficult, but the time is overdue to make a start. What is done must be done with full justice to the members of the unions. All of their legitimate rights must be preserved. The plan I now propose will ask no more of unions than existing laws require of industrial corporations. The Securities and Exchange Commission was established to see that neither the public nor the corporation stockholders were defrauded by industrial management. One of the powers of the Commission is to require of all corporations full reports and information as to their operations.

As a first step to union responsibility, and this responsibility I believe to be essential before any real progress can be made to end industrial strife, I am offering legislation to provide:

1. That within a reasonable time, and annually thereafter, all unions shall register with the Securities and Exchange Commission; that each union shall annually report to the Commission, among other information: Initiation fees; annual dues charged to each member; assessments levied during the past 12-month period; limitation on membership; number of paid-up members; salaries of the officers; date of the last election of officers; the method of election; the vote for and against each candidate for office; reserves in the treasury; the date of the last detailed financial statement furnished to all members, and the method of publication or circulation of such statement.

2. That every labor organization having as members one or more employees or persons engaged in commerce shall take out articles of incorporation under the laws of the District of Columbia, or any State authorizing such incorporation.

3. That labor unions can be sued for civil damages, either for the breach of its employment contract or for the unlawful damage or destruction of property.

4. That no labor organization shall be entitled to any rights, privileges, or benefits under the National Labor Relations Act unless and until such organization complies with the provisions of this law.

Labor unions today have great financial resources. At the direction of Congress, the Joint Committee on Internal Revenue Taxation has made a preliminary report stating that of approximately one-half of the labor unions reporting, those unions had an income for the year 1944 of \$389,700,000. Included in the annual expenses of these unions were wages, salaries, and commissions of \$50,000,000; compensation of officers, \$38,000,000; other operating expenses, \$88,000,000, with a total expenditure for the year 1944 of \$323,000,000, leaving \$66,000,000 to be added to the already very large financial reserves.

Why shouldn't union members know what salaries their officers receive? Why shouldn't the union members and the general public know how much was expended for political purposes? A business corporation is prohibited by law from making a political con-

tribution. An individual making a political contribution over a certain amount must pay a gift tax and report the same to the Government.

Labor unions in America have "grown up." They are now "big business" in their power and financial assets. They must assume their proper responsibility for their acts affecting the economic welfare of America. This legislation will do no more than place upon unions a legal responsibility commensurate with their power. As I have said, many have large financial resources adequate to pay damages for violation of contracts (I am informed that 12 unions have financial reserves of \$160,762,000). At least the employer, under this plan, will know in advance the financial responsibility of the union with which he deals.

I will press for this legislation as strongly as I can. It is democratic and just. I am convinced its enactment will be a substantial deterrent to strikes. It is the first and vital step toward the recognition that labor unions have tremendous power for good or bad in our economic life and, as such, should have a responsibility under the law as has been imposed on other powerful groups. I do not offer this as a panacea to solve all labor difficulties, but, in the long-range objective for industrial peace, I think we must put first things first and give to labor unions a legal status and responsibility.

This is the foundation. Until this responsibility to organized government is established, there can be no lasting industrial peace upon which our future prosperity so vitally depends.

#### AMENDMENT OF RULE RELATING TO CLOTURE—RESOLUTION REFERRED TO COMMITTEE ON RULES

Mr. SALTONSTALL. Mr. President, on May 7 I submitted a resolution which was ordered to lie over, under the rule. It is Senate Resolution 269. I should like unanimous consent to take it from the table and have it referred to the Committee on Rules.

Mr. BARKLEY. To which committee?

Mr. SALTONSTALL. To the Committee on Rules.

Mr. BARKLEY. May I ask the Senator what the resolution provides for?

The PRESIDING OFFICER. The resolution will be stated by title.

The CHIEF CLERK. A resolution (S. Res. 269) to amend rule XXII so as to provide that a cloture motion may be presented at any time upon any pending matters or upon the unfinished business.

Mr. BARKLEY. Very well; it should be referred to the committee the Senator has named.

The PRESIDING OFFICER. Without objection, the resolution will be taken from the table and referred to the Committee on Rules.

#### EFFECT OF COAL STRIKE ON THE CANNING INDUSTRY AND THE FOOD SUPPLY

Mr. WILEY. Mr. President, I have a very short statement from Mr. D. W. Figgis, president of the American Can Co., which I think very graphically portrays the situation relating to the food shortage and the danger this country is now in. I have spoken on this subject briefly during the course of the last week. This statement says that:

Each day of the coal strike is magnifying the danger that insufficient metal cans will be available for preservation of this summer's perishable farm crops, with resultant

losses to farmers and canners and serious food shortages.

I do not have to tell this body that America has gotten into the habit of eat-out of cans. As I stated day before yesterday, Wisconsin cans more than 50 percent of the peas of this country, and the pea crop is in jeopardy because there is no coal and now because, even if we could get over that hump, there will be no cans unless we take action to bring an end to the coal strike.

I continue reading the statement of Mr. Figgis:

Dangerously low metal inventories in can-manufacturing plants throughout the country as a result of slow-ups and strikes in the steel mills, power dim-outs that are curtailing operating hours in factories and reduced shipping facilities, are causing daily losses of cans that could not be offset even by full-capacity production of the industry every day between now and the summer harvests. The processed food industry is skating on thin ice, and disastrous effects on the whole canned-food situation can be averted only through an immediate restoration of normal power requirements and transportation facilities to make possible full production and shipment of tin-mill products, operation of can plants, and shipment of cans.

In the Chicago area alone, where six of the American Can Co.'s 65 plants are now running only one 8-hour shift 3 days per week, or about one-quarter of normal hours, as a result of the power dim-out, daily losses in production amount to approximately 4,000,000 cans for fruits, vegetables, meats, and evaporated milk.

Mr. President, I desire to talk to Senators on the other side of the aisle for a moment. I have just called attention to the fact that, because of conditions existing in this country, 4,000,000 cans daily are not being made to take care of the food that is being produced. Four million cans daily. Figure that out. It is 120,000,000 cans a month. That means that we will not be eating our food out of cans; it means that our food will rot. It is such a serious situation that I felt this entire statement was worthy of comment on the floor of the Senate.

I continue reading from the statement by Mr. Figgis:

Spreading of dim-out regulations to new areas will cause further losses, and although the shipping embargo has been modified to permit transportation of cans for perishable goods, reduced operation of the railroads will cause curtailment of production in many more plants, regardless of the power supply. The production rate in all can-manufacturing plants, some of which ship as many as 4,000,000 cans on a peak day, is out of all proportion to storage space, and the plants can run a very short time without constant removal by rail of the finished product.

American Can plants alone normally produce about 40,000,000 food cans per day. While a complete shut-down would not occur unless a settlement of the coal strike is far in the distance, this figure is an indication of what the growing curtailments mean in terms of danger to the food supply.

I was talking yesterday with the distinguished senior Senator from Georgia [Mr. GEORGE] whom I am glad to see present in the Chamber. He told me of the situation in his State and stated, as I recall, that the conditions at the present time indicate that the peach crop is in jeopardy, for cans cannot be obtained.

That is another indication of what is taking place on the whole food front.

I continue reading from the statement:

The most imminent danger of losses as a result of can shortages is that of the pea canners in the Central and North Central States, particularly Wisconsin—

That is my State—

Illinois, and Kansas where canning normally begins in late May and early June. Slowed-up production of meat cans is causing a serious problem for packers in the Middle West.

Despite the tremendous daily output of the plants when operated at capacity, canners' requirements make necessary year-round manufacture and storage against the peak seasons with extra shifts and forced-draft production at harvest time after all available storage space is utilized. Since inventories of finished cans in the factories and canners' warehouses are far below last year the loss of can production now will be a serious problem throughout the year in all packing areas. The annual consumption of metal cans in the United States is more than sixteen billion.

As a result of the steel strike, Government orders had returned restrictions on manufacture of metal cans practically to a wartime basis, in order to provide ample containers to preserve the crops already planted.

Every pound of food from this summer's and next fall's crops that cannot be preserved for future use will be a loss to the world food supply that cannot be replaced until the 1947 harvesting seasons.

The coal strike has shut down the steel mills and the strike in the steel mills caused a shut-down of automobile factories. Now all factories are being shut down. We can live for a while without automobiles but we cannot live very long without food.

Mr. President, the statement I have read presents another challenge to the Senate of the United States.

WHY MINERS ARE BITTER—ARTICLE BY AGNES E. MEYER

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an article entitled "Why Miners Are Bitter," by Agnes E. Meyer, from the Washington Post of May 10, 1946, which appears in the Appendix.]

THE COAL STRIKE—ADDRESS BY ALBERT L. WARNER AND ARTICLE BY ERNEST LINDLEY

[Mr. KNOWLAND asked and obtained leave to have printed in the RECORD a radio address on the subject of the coal strike delivered by Albert L. Warner on May 9, 1946, and an article by Ernest Lindley, which appear in the Appendix.]

LOAN TO GREAT BRITAIN—TELEGRAM FROM I. B. CATZ

[Mr. MORSE asked and obtained leave to have printed in the RECORD a telegram on the subject of the loan to Great Britain from I. B. Catz, president of Catz American Co., Inc., which appears in the Appendix.]

JOSEPHINE BENHAM

Mr. Ellender submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1457) for the relief of Josephine Benham, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the sum inserted by the Senate amendment insert \$1,000; and the House agree to the same.

ALLEN J. ELLENDER,  
GEO. A. WILSON,

Managers on the Part of the Senate.

DAN R. MCGEEHEE,  
JOHN JENNINGS, JR.,

Managers on the Part of the House.

The report was agreed to.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. ELLENDER obtained the floor.

Mr. HILL. Mr. President, will the Senator yield to me to suggest the absence of a quorum?

Mr. ELLENDER. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HOEY in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senator answered to their names:

Alken	Hayden	Pepper
Austin	Hickenlooper	Radcliffe
Ball	Hill	Reed
Bankhead	Hoey	Revercomb
Barkley	Huffman	Robertson
Brewster	Johnson, Colo.	Russell
Bridges	Johnston, S. C.	Saltonstall
Brooks	Knowland	Shipstead
Buck	La Follette	Smith
Bushfield	Langer	Stanfill
Butler	Lucas	Stewart
Byrd	McCarran	Taft
Capper	McClellan	Taylor
Donnell	McFarland	Thomas, Okla.
Downey	McKellar	Thomas, Utah
Eastland	McMahon	Tobey
Ellender	Magnuson	Tunnell
Ferguson	Maybank	Tydings
Fulbright	Mead	Wagner
George	Millikin	Walsh
Gerry	Mitchell	Wheeler
Green	Moore	Wherry
Guffey	Morse	White
Gurney	Murdock	Wiley
Hart	Myers	Willis
Hatch	O'Daniel	Wilson
Hawkes	O'Mahoney	Young

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Montana [Mr. MURRAY] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.



Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate.

The Senator from Wisconsin [Mr. LA FOLLETTE] is unavoidably detained.

The Senator from Oregon [Mr. CORDON] is absent by leave of the Senate.

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

The question is on the amendment offered by the Senator from Louisiana [Mr. ELLENDER] for himself and the Senator from South Carolina [Mr. JOHNSTON].

Mr. ELLENDER. Mr. President, when the Senate recessed last night I was discussing the pending amendment, and I propose now to read it. It is very short, and is as follows:

SEC. —. It shall be a condition on any payment made to the United Kingdom pursuant to the agreement dated December 6, 1945, that not less than 90 percent of the amount thereof shall be used for purchases by the United Kingdom of goods and services in the United States.

As I indicated last night, one of the chief arguments advanced by the proponents of the pending resolution was that great benefits would accrue to our country by reason of trade resulting from the making of the loan. By my amendment I am seeking to effectuate that argument. I want to make it certain that 90 percent of the huge sum we are loaning, or, rather, giving to the United Kingdom for the purchase of goods and services from the people of our country.

The loan to Britain is somewhat of a lend-lease proposal, a matter which all of us heard much about during the war. All the money appropriated by the Congress for the purpose of lend-lease was spent in this country, and our manufacturers and farmers gained much profit from it. Today we are being called upon to make an advance, not in goods, not in services, but in cash from our Treasury, which will be raised through a bond issue.

Mr. President, we have established the Export-Import Bank for the express purpose of developing our foreign trade. We have, as I have stated on several occasions, increased the capital stock of that bank to \$3,500,000,000. I am willing to increase it a few billion dollars more so that we may further aid foreign countries, and at the same time assist the farmers and manufacturers of our Nation. My amendment proposes to work out in practice what we have gone on record as approving in theory. It suggests a method adopted by the Congress in previous years by which we provided ways and means of obtaining more trade. My amendment seeks to expand our trade as provided through the facilities of the Export-Import Bank.

It must be well known that through the Export-Import Bank our country lends money to foreign governments or foreign corporations with the distinct

understanding that every dollar that is borrowed by a foreign corporation or a foreign government must be spent in our country. The pending amendment provides that 90 percent of the loan shall be spent in this country. As I stated last night, I think it is imperative that something be done to protect the rights and interests of the American people.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. REVERCOMB. I understand the amendment to mean but one thing, and that is a definite declaration by the Congress that 90 percent of the loan money shall be spent in America.

Mr. ELLENDER. That is correct.

Mr. REVERCOMB. The greatest argument that has been made for the British loan has been that it will increase the purchase of goods and services in this country. The Senator's amendment puts us face to face with this proposition: If we really mean what has been declared, namely, that the purpose of the loan is to aid trade with America and to sell American goods to the British, I do not see how anyone could fail to support the amendment.

Mr. ELLENDER. That is my view.

Mr. REVERCOMB. On the other hand, the terms of the loan do not fix any amount which must be expended for goods and services in the United States. As I recall, the purposes of the loan are four-fold, but no particular amount is required to be spent in this country for services and goods.

Mr. ELLENDER. The Senator is correct.

Mr. REVERCOMB. Let me say to the able Senator that he has confronted the Senate in a very fair and clear way with the most important argument advanced by the proponents of this measure.

Mr. ELLENDER. I thank the Senator.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MOORE. It seems that the basis of the argument is that this loan would increase international trade, and thereby result in great benefit to this country. However, it seems to me that the truth is that, although we might require the purchase in this country of goods to be manufactured in the United States, we shall not have the goods to supply. Where are we going to get the goods? What goods could we now spare from the demands of our own people? Would it be desirable to stimulate exports at this time, or within the next several years?

Mr. ELLENDER. That remains to be seen. As the Senator knows, this money is to be drawn by the British over a period of 5 years. Of course, there is nothing to prevent the British from drawing the entire \$3,750,000,000 the moment the Congress acts. But the supposition is that Britain is to take it in small amounts, as it were, so as not to interfere with our processes here and cause inflation. That is the argument which is made.

Mr. MOORE. It stands to reason that we do not now need that much export trade.

Mr. ELLENDER. Of course not; but the chief argument for the loan, as the Senator from West Virginia has just stated, is that it will increase our foreign trade, which is so necessary in order to give full employment to our people.

Mr. MOORE. It is not a sound argument.

Mr. ELLENDER. I want to make it come true, if the argument of the proponents of the resolution is sound.

Mr. MOORE. It is not a sound argument to say that this loan would inure to the benefit of the industry of this country.

Mr. ELLENDER. Certainly not.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. WILLIS. Is it not true that every dollar we add to our national debt increases inflationary pressure in this country?

Mr. ELLENDER. There can be no doubt of it.

Mr. WILLIS. Would not the British loan have the same effect?

Mr. ELLENDER. Certainly.

Mr. WILLIS. Is not that the greatest menace to our country?

Mr. ELLENDER. There can be no question about it. That is another argument against the loan. But the point I am trying to emphasize is that one of the chief arguments for adoption of the joint resolution is that the loan would increase our foreign trade. I want to make that possible by providing that 90 percent of every dollar we lend to Great Britain shall be spent directly for goods and services in this country.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BUTLER. I believe it is a true statement that the agreement which we are now considering comes under the general classification of what we term "dollar diplomacy." I ask the Senator if he will permit me to read a brief article on that subject from the Wall Street Journal of today?

Mr. ELLENDER. I gladly yield for that purpose.

Mr. BUTLER. The article is headed "Dollar diplomacy, modern style, is beginning to limp badly." The article reads as follows:

DOLLAR DIPLOMACY, MODERN STYLE, IS BEGINNING TO LIMP BADLY

When United States diplomats bestowed a \$90,000,000 credit upon Poland a fortnight ago, the left-wing Polish Government happily announced it to their populace. But they've strangely neglected to mention at home two big strings tied to the dollars: (1) Their promise of a democratic election, and (2) adequate and effective compensation for nationalized United States properties in Poland.

When questioned, Poles explain the text of the pact was garbled in transmission to Warsaw—though it went both by wireless and courier. And now they insist on determining compensation through commissions on which Americans have no voice. Meanwhile, they hint they'll need another loan soon.

Some of our disillusioned dollar diplomats talk of canceling the present credit. But they pursue similar plans for other nations.

Mr. ELLENDER. Mr. President, as I was about to state to the Senate, the policy which has been advocated and put into effect through this very Congress in respect to our export trade has been through the establishment of the Export-Import Bank. Through the facilities of that bank we are able to enter into contracts and agreements with foreign governments whereby every dollar we lend to a foreign government or a foreign corporation shall be spent in this country. In that way we can dispose of such surpluses as we have. It may be that in the near future we shall not have many surpluses to dispose of; but with the expansion of our war plants during the war there is no telling the extent to which this country will be in a position in a short while to supply the world with many of our products which are now manufactured through mass production.

As has been pointed out, Great Britain need not spend a thin dime in this country for any goods she desires to purchase; she can buy the goods wherever she desires to purchase them. It is stated in the agreement that she may purchase goods in the United States, but there is no obligation on her part to spend in the United States any of the money which she receives as a result of the making of the loan.

It has been said that all dollars we loan to a foreign country will find their way back into this country and be spent in the United States. That is true; but if we control the use of those dollars from the time when they leave our hands until the time when they get into the hands of the borrower and are spent by him, and if we require the borrower to purchase from us, we shall be able to dispose of our surpluses, and most farmers and merchants will thereby benefit.

Great Britain would have the right to use this money to buy cotton, let us say, from Brazil. Great Britain is no different from a private person, insofar as doing business is concerned. A country, like a person, will buy goods where it can buy them the cheapest. If the junior Senator from Ohio [Mr. HUFFMAN], who I see is about to rise, were to go down Pennsylvania Avenue today and were to go to three different stores, and if in each store he saw a suit which appeared to be the same as suits which he saw in the other two stores—suits which looked alike, but which were priced at \$30, \$35, and \$40 respectively—my guess is that the Senator from Ohio would purchase where he could buy the cheapest.

Mr. President, countries are no different. Today we have cotton that sells for about 28 or 29 cents a pound. If Great Britain can purchase cotton from Brazil at, let us say, 17 cents a pound, where do you think she will buy the cotton? If she can use our money to buy cheap cotton in Brazil, Brazil will be able to use those dollars to pay us back for what we loaned to her at some time in the past. In other words, if this money finds its way into a foreign country, it can be used to pay off debts and obligations, rather than be used to purchase goods.

Mr. HUFFMAN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HUFFMAN. I am greatly interested in what the Senator has had to say in this portion of his argument. I merely wish to call his attention to the fact that only a few days ago Great Britain renewed her agricultural agreements with Argentina for the purpose of recapturing all the South American trade which she had prior to the war.

Mr. ELLENDER. Yes; and she is also attempting to enter into an agreement with Russia.

The point I wish to make—and I am sure my good friend the Senator from Michigan is very much interested in it, because we had occasion to discuss it yesterday evening after the Senate took the recess—is simply this: If we can maintain control of the dollars which we lend to a foreign country, in such a way as to insure that those dollars shall be spent with us, then we can be certain that our farmers and our manufacturers will receive benefits.

As I said a moment ago, it is true that Great Britain could spend the money in another country, and finally the dollars will find their way back to the United States; but there is no certainty that when the money returns to the United States it will be used by that country to purchase materials or goods of which we have a surplus. As everyone knows, today our country produces approximately a billion and a quarter bushels of wheat, and we consume approximately 650,000,000 or 700,000,000 bushels. So we have a surplus of approximately 600,000,000 or 650,000,000 bushels, let us say. Great Britain has no wheat. Suppose Great Britain chose to buy wheat from Brazil or Argentina or any other country which produces wheat. If she used our dollars to purchase wheat from one of those countries, when our dollars were transferred to one of them—for instance to Brazil or Argentina or Ecuador, countries which produce wheat in abundance—those dollars could be used by that country to discharge a debt which it might owe to the United States. The only beneficiaries would be the bondholders. But our manufacturers and farmers would not benefit to any great extent.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. The able Senator from Louisiana has been discussing this point in an excellent fashion, and I should like to ask him a question in connection with it. Has not there been one objection to this loan, namely, that the difficulty is we do not now have the capacity to produce sufficient goods to supply the needs of our own consumers, and that if we require that 90 percent of the money we loan to Britain shall immediately come back into our own markets, we shall be defeating the very purpose of the loan?

There is another point. If we allow this money to be used by Britain in her colonies or in her organization, for instance, to pay a debt to India or to Egypt or to some other part of the sterling-bloc area, the countries to which the dollars are paid by Britain will, in time, use them to make purchases in the

United States. It is argued in that connection that it will be better for the United States if those dollars do not immediately come back to this country, to be used to make purchases in our markets. The argument is that, instead, it would be desirable to have the dollars used to make purchases in the United States at future dates, and that some day those countries will be compelled to use the dollars either to purchase American goods or to pay for American services.

Mr. ELLENDER. There can be no question about that, I say to the Senator from Colorado, because of the fact, as the Senator well knows, that all the countries he has named are very short of goods. They desire to obtain goods almost to the same extent that Great Britain does. The result is that those dollars will not stay very long in Egypt or in India. Today we in the United States have a large surplus of cotton. Great Britain needs it. Why cannot we say to her, "Use our cotton"? Next year we are going to have a large surplus of wheat, I am sure. Why cannot we say to Great Britain, "Rather than purchase wheat in Argentina or Russia or anywhere else, purchase wheat from the United States; we have it here to sell to you"?

The same situation applies to many other products of the farm and of industry. As the Senator knows, today Great Britain must import five-sixths of all the food her people consume. In other words, she is far from being self-sustaining. There are only a few commodities which Great Britain produces in sufficient quantity—I will not say in abundance—to satisfy the needs of a very small percentage of her population.

Under the proposal I am now advocating, we could say to Great Britain, "We have supplies of wheat and of this, that, and the other commodity which will be available in surplus quantities in the United States soon—and then we could sell them to Britain, rather than to let the dollars we lend her find their way throughout the world and eventually have other countries compete with our own people for goods which our people produce."

Mr. JOHNSON of Colorado. Mr. President, will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. I take it for granted that if this loan is made the United States—in view of her present economy, the failure to produce sufficient quantities of certain articles, and with overproduction of other articles or commodities—will have something to say when an attempt is made to get those dollars back into this country, or when they do come back here; at that time we shall have something to say as to whether they shall be used to purchase goods or commodities of which we have surpluses, rather than to create inflation in this country by being used to back a demand for goods which we do not have in sufficient quantity to sell abroad.

I agree with the statement the Senator has made that that situation must be taken care of, or else we shall find that our economy will be upset by this arrangement.



Mr. ELLENDER. Mr. President, dollars in the hands of a foreign government, without strings attached to them, are the same as dollars in the pocket of any Senator or any other person. A person who has a dollar in his pocket can go to any store to which he wishes to go and make purchases there with that dollar.

The moment we transfer \$3,750,000,000 to Great Britain that money will become free, as it were; and the ones who have the money can do what they please with it. They can use it to make purchases in any markets in which they wish to buy, regardless of whether that would be in competition with you or me or anyone else.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. FERGUSON. I hope that the statement which has been made by the able Senator from Louisiana will apply to the future of international trade. I believe that he has struck at the very heart of the situation. What I fear in the future more than anything else is the control of dollars. The Senator has stated the situation correctly. The flow of international trade should be the same as the flow of dollars from an individual's pocket. But the difficulty in the past has been that all international dollars, so far as trade flowing from one country to another is concerned, were controlled by nations. The Mead committee found that instead of an attempt being made to increase free individual enterprise, the enterprise was between nations. I witnessed a good sign the other day when we said to approximately 15 nations that we did not want their purchasing agents to come to us as nations. We want individuals in other countries to deal with our individuals in this country. If we can obtain such trade we will solve our international trade problem.

Mr. ELLENDER. Mr. President, I am in full agreement with the distinguished Senator from Michigan. The Congress has already adopted certain measures in order to effectuate the policy to which the Senator has referred. Two proposals have been agreed to. We provided a fund, which was the most important of the two proposals. That fund is to be used in order to stabilize the currencies of the various countries in relation to each other. It will make possible the free flow of business and trade to which the Senator has referred. But, it cannot be done merely by loaning the proposed \$3,750,000,000 to Great Britain, because she will use it for the purpose of helping herself. That is why I am so anxious that we tie some kind of strings to the loan. I believe a proviso should be made of the purpose of the credit which will be tendered to Great Britain and we should make it certain that the proceeds of the loan will be spent here by the United Kingdom. I stated yesterday that newspaper headlines gave the impression that all monies to be advanced by Canada to the United Kingdom should be spent in Canada. I read from the Canadian agreement:

ART. 2. The purpose of the credit is to facilitate purchase by the United Kingdom of

goods and services in Canada, to assist in making it possible for the United Kingdom to meet transitional postwar deficits in its current balance of payments, to maintain adequate reserves of gold and dollars, and to assume obligations of multilateral trade.

The newspaper from which I quoted yesterday seems to have given an erroneous impression. The language I have just quoted seems to be similar, in effect, to that incorporated in the pending agreement between our Government and the United Kingdom.

Mr. FERGUSON. Mr. President, yesterday I voted for the Aiken amendment because of the theory which the Senator is now arguing, namely, that there should be some control of the money which will be loaned. I felt we should make certain, so far as the Congress, a policy-making body, is concerned, that trade restrictions shall be removed. If we are to control dollars in international trade and encourage individual enterprise, we will find that around the globe there will be similar acts on the part of other nations.

Mr. ELLENDER. Did the Senator vote for the Export-Import Bank?

Mr. FERGUSON. Yes.

Mr. ELLENDER. The purpose of the Export-Import Bank was to develop our trade, and it is said that a similar result will follow from the loan to Great Britain. Such theory has been the basis of one of the chief arguments which have been advanced on this floor. It has been said that the main purpose of the loan is to expand the foreign trade of our great Government.

Mr. FERGUSON. The foreign trade, not of our Government, but of our individuals and our people.

Mr. ELLENDER. Yes; that is what I had in mind. I mean the people of our country.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. WHEELER. The other day I called attention to the fact that in the tariff agreements which were made with England long before this present subject arose, England agreed to reduce her trade restrictions. So, when it is said that we will get something in return for this loan, I want to point out that we will get only what England has already agreed to give. Mr. Churchill stated on the floor of the House of Commons, and Lord Keynes stated in the House of Lords, that unless Great Britain's expenditures increased by 60 percent she would not be required to do anything about reducing restrictions. All the talk about our obtaining more trade because of this loan agreement, is pure nonsense. England agrees to nothing in connection with the proposed loan that she has not agreed to in the past. We have heard much said about the advantages which will accrue to the manufacturers of this country; but, it has been contended, tariffs in the United States will have to be reduced in order to obtain the removal of restrictions abroad. When the tariffs are reduced or removed what will happen to the American woolen and cotton textiles industries, for example? If we reduce the tariffs all the Republicans will be here in a comparatively short

time asking for tremendous increases in the tariffs, and then the British will say, "You have gone back on your word; you are repudiating everything which you have agreed to, and consequently we do not have to pay a nickel." All Senators need to do is to read the agreements to which I have called attention on the floor of the Senate numerous times, and the statements of Winston Churchill and Lord Keynes.

Mr. ELLENDER. Mr. President, because of the lack of time, it is not my purpose to debate the tariff question. But I plead with Senators to vote for this amendment. It will yield to our country a meager advantage or benefit in return for the loan which we are asked to make. I believe it is essential that we try in some way to safeguard our own interests. I believe it to be essential for us to use the same policy that we invoked in regard to the Export-Import Bank. Let us use the Bretton Woods proposals in carrying out the suggestions made by the distinguished Senator from Michigan. Those proposals were approved by the Senate. There is no reason why we should not move in their direction in order to help stabilize the economy of a sick world.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. TUNNELL. What provision does the Senator's amendment make for guiding purchases within the 90-percent limit to the articles of which there is a surplus, instead of articles of which there is a shortage?

Mr. ELLENDER. I have not provided for that, I may say to the Senator. It is to be assumed that virtually the same method which is now in effect, namely, that of making loans to foreign governments by way of the Export-Import Bank, will be used in making the proposed loan to Great Britain. As I indicated a while ago in answering a question of the distinguished Senator from Nebraska [Mr. BUTLER], this loan is to be made to Great Britain in installments over a 5-year period. Great Britain is to receive the money in installments, starting with perhaps \$500,000,000, or possibly \$1,000,000,000. The entire amount is not to be utilized by them immediately. As the Senator knows, Great Britain must purchase most of the food which her population consumes. She must import a large percentage of raw materials for manufacturing purposes. Great Britain today utilizes from 15,000,000 to 17,000,000 tons of steel a year. But she can produce only, I believe, 8,000,000 or 9,000,000 tons. She must obtain the remainder of her needs from foreign countries. She must obtain all her copper and magnesium from other countries. It would not be to the advantage of Great Britain to expend this large sum of money in 1 year, because it would be necessary for her to keep some of it in reserve in order to maintain her economy for the next 4 or 5 years.

Mr. TUNNELL. At the present time it might be harmful instead of beneficial if England were to take, for example, food products.

Mr. ELLENDER. That might be true for a few years to come. I am hopeful that the present coal strike will come to an end within a few days, and that the wheels of industry will start humming. I do not believe it will take a very long period of time to achieve full production. We have in the process of growth a large wheat crop and a large corn crop. Today we have approximately 14,000,000 head of cattle more than our normal supply. I believe that many other commodities will be available to us within the next few months.

Mr. TUNNELL. I believe that there is some merit in the Senator's suggestion; but it seems to me the principal key to the solution might be the thing I have suggested, namely, some way of guiding the purchases into the articles or commodities of which there is not a shortage of supply in the United States.

Mr. ELLENDER. I submit the amendment, Mr. President, and I hope it will receive the favorable consideration of the Senate.

Mr. BARKLEY. Mr. President, I shall only take a moment, because there are other Senators who have amendments which they desire to have considered. I wish first to correct a statement made by the Senator from Louisiana in his address yesterday found on page 4747 of the CONGRESSIONAL RECORD of yesterday. I quote from what the Senator said; I am sure he does not want to be inaccurate about it if it is called to his attention:

I notice from the press that day before yesterday the Canadian Parliament proposed to lend to Great Britain \$1,250,000,000. In that agreement it was written that every dime of the \$1,250,000,000 to be loaned by Canada to Great Britain was to be spent for goods and services to be furnished by Canada to Great Britain.

That is not an accurate statement as to the terms of the loan from Canada to Great Britain. I should like to call the attention of the Senate to the fact that in the agreement between the United States and the United Kingdom subsection 2 of section 6 reads as follows:

(11) The Government of the United Kingdom will not arrange any long-term loans from governments within the British Commonwealth after December 6, 1945, and before the end of 1951 on terms more favorable to the lender than the terms of this line of credit.

In other words, Great Britain agrees in the agreement which we are now discussing not to make more favorable terms to any of the governments within the British Commonwealth than are set forth in this loan.

Mr. ELLENDER. As to the rates of interest.

Mr. BARKLEY. As to anything; any kind of terms.

The Senator from Louisiana read a moment ago section 2, I believe he said, of the Canadian agreement.

Mr. ELLENDER. I have it before me.

Mr. BARKLEY. I should like to call the attention of the Senate and of the Senator from Louisiana to the fact that I think he will find section 3 of the agreement between the United States and the United Kingdom identical in language

with section 2 of the Canadian agreement which was ratified by the Canadian House of Commons last week, or a few days ago. I think if the Senator will follow the language of section 2 of the Canadian agreement, he will find that it is almost the same as section 3 of the Anglo-American agreement. Section 3 reads:

3. Purpose of the line of credit: The purpose of the line of credit is to facilitate purchases by the United Kingdom of goods and services in the United States, to assist the United Kingdom to meet transitional post-war deficits in its current balance of payments, to help the United Kingdom to maintain adequate reserves of gold and dollars, and to assist the Government of the United Kingdom to assume the obligations of multilateral trade, as defined in this and other agreements.

That is identical with the language of the Canadian agreement.

Mr. ELLENDER. As the Senator from Kentucky just said, I quoted from what I had read in the press as it appeared in bold letters—I have it on my desk now—that the money to be loaned by Canada to Great Britain was to be used exclusively to buy goods from Canada.

Mr. BARKLEY. I have no doubt that the Senator read that in the newspaper, and that is why I am calling attention to the facts.

Mr. ELLENDER. I am glad to have the facts in the RECORD.

Mr. BARKLEY. The terms of the two agreements are identical. The first purpose is to facilitate the purchase of goods and services in this country and in Canada. The word "Canada" might be substituted for the words "United States" in the agreement. All the other purposes are secondary.

If we were to adopt the amendment of the Senator from Louisiana, requiring that 90 percent of the loan shall be used to purchase goods and services in the United States, we would be changing the terms of the agreement with Great Britain, because in the agreement it was not attempted to set a figure in percentage of the money that would be used to buy goods and services in the United States. I do not think anybody can estimate in advance how much of the \$3,750,000,000 would be used immediately in the purchase of goods and services in the United States. Some of it will have to be used for the other purposes, which are set out in the agreement, just as they are set out in the Canadian agreement. If the Senate should adopt the amendment offered by the Senator from Louisiana providing that 90 percent of this fund shall be used to purchase goods and services in the United States it would be a change in the agreement which was entered into between the United States and the United Kingdom.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. FULBRIGHT. Not only would it be a change, but I think it would be an undesirable change, particularly in the first 2 or 3 years, because we are going to have to use our export controls anyway—and the United Kingdom understands that—in order to avoid too extensive purchases in the next 2 or 3 years.

Mr. BARKLEY. The Senator from Arkansas is correct. If we should require Great Britain to use 90 percent of the \$3,750,000,000 within the 5-year period in buying things in the United States, we might, by reason of shortages within that period, add to what some of our friends in the Senate call an inflationary situation. So, I am sure the Senator from Louisiana did not want the wrong impression to be created by the newspaper article which he read.

Mr. ELLENDER. As I have just said, I am glad that the facts have been brought out.

Mr. BARKLEY. The Senator is very fair and I appreciate his attitude. I hope the amendment will not be agreed to.

Mr. ELLENDER. Mr. President, on the amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	Pepper
Austin	Hickenlooper	Radcliffe
Ball	Hill	Reed
Bankhead	Hoey	Revercomb
Barkley	Huffman	Robertson
Brewster	Johnson, Colo.	Russell
Bridges	Johnston, S. C.	Saltonstall
Brooks	Knowland	Shipstead
Buck	La Follette	Smith
Bushfield	Langer	Stanfill
Butler	Lucas	Stewart
Byrd	McCarran	Taft
Capper	McClellan	Taylor
Donnell	McFarland	Thomas, Okla.
Downey	McKellar	Thomas, Utah
Eastland	McMahon	Tobey
Ellender	Magnuson	Tunnell
Ferguson	Maybank	Tydings
Fulbright	Mead	Wagner
George	Millikin	Walsh
Gerry	Mitchell	Wheeler
Green	Moore	Wherry
Guffey	Morse	White
Gurney	Murdock	Wiley
Hart	Myers	Willis
Hatch	O'Daniel	Wilson
Hawkes	O'Mahoney	Young

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

Mr. JOHNSTON of South Carolina. Mr. President, the amendment now before the Senate reads as follows:

It shall be a condition on any payment made to the United Kingdom pursuant to the agreement dated December 6, 1945, that not less than 90 percent of the amount thereof shall be used for purchases by the United Kingdom of goods and services in the United States.

In my opinion, Mr. President, the object of the amendment is to carry out what all the proponents of the pending joint resolution advocate in their arguments, which is that we should sell more goods to the United Kingdom.

Personally, I have been against the lending to England of this money, because I do not believe making the loan will help the United States, since, at the present time, the United States is not able to fill the bill of the requirements of the people here at home, and, in my opinion, we will not be able to do so for the next 4 or 5 years.



Much has been said concerning cotton. If we do not change our system of handling cotton and the way it is sold, this loan to Britain will greatly hazard our sales in the future. I warn Senators that it will also have the effect I shall now mention, unless an amendment of the kind now under consideration is adopted. Let us look at the picture clearly for a few minutes.

If an individual were paid 4 or 5 cents on every pound of cotton, and were allowed to employ his laborers at rates cheaper than those paid by others, would he be put in an advantageous position as compared to those with whom he was doing business? That is what we do for England if we make her this loan, and do not tie to the agreement an amendment such as the one now pending, because 4 or 5 cents is paid on every pound of cotton; the manufacturers of England are permitted to have the cotton 4 or 5 cents cheaper, and they manufacture the cloth with labor receiving less than that paid labor in the United States. Then England does not take our goods and merchandise, but she builds up England's exports. The truth of the matter is that is what this loan would do. Instead of building up her imports, we would be building up her exports. That is the truth of the whole matter. It is an attempt to balance her commerce.

I call attention to the fact that the figures of the Treasury Department show that in 1944 the imports of England amounted to \$1,306,000,000, while her exports amounted to only \$258,000,000. Her exports were only one-fifth the amount of her imports. Naturally, she wants to buy as much as she can, but her trouble in the future will be that of paying for the purchases and maintaining a balance. She is out of balance now to the amount of about \$13,000,000,000 with all the countries with which she is doing business, and the loan will place her further out of balance.

Mr. President, I contend we should do everything we can to try to get the United Kingdom to buy whatever she must buy from the United States. I do not insist on Britain buying raw materials from us. If we in the United States could see the picture clearly we would realize that we ought not to encourage the sale to Great Britain of raw materials produced in the United States, for the simple reason that we can convert the raw materials into manufactured goods in the United States, make the resultant profit for ourselves, and thus bring about full employment in this country. We hear much about full employment, but if we should encourage the shipment of raw materials from the United States it would result in causing full employment in Britain rather than full employment in the United States. I think we must look at the picture clearly, and when we do we will realize the truth of the statement I have just made.

Mr. President, what is wrong with the United States saying to Britain that she should use 90 percent of the money we give to her with which to buy goods in the United States? Personally, I think we should go a little bit further and

check on what we are going to let her have. If we are to build up the American economy we should look to what is best for our own country in each instance. After that, let us help the rest of the world. I favor helping Britain in every possible way we can, but I do not favor doing so to the detriment of the United States.

The amendment offered by the Senator from Louisiana and me would only carry into effect what we have here contended should be done—that is, to build up the commerce of the United States and at the same time try to help Britain. But I do not believe any Senator within the sound of my voice wants to help Britain to the detriment of the United States. If Senators will look at the picture as a whole, and take into consideration what has happened in the past, they will come to the conclusion that if we do not throw some protection around ourselves in connection with the loan Britain will look after herself. She will take the money we are lending to her—but I have always said it would be a gift—and she will use it to pay off debts she owes, and balance her own budgetary accounts with countries to which she owes money—to which she has run into debt year after year because her exports were not sufficient in amount to balance her imports. If Senators would investigate Britain's total debt, they would find that she is badly in debt to other nations of the world. In that respect the United States is at the present time in a favorable position. But simply because we are in a favorable position, should we for that reason give our money to Britain without asking that in return purchases be made by her from the United States? Britain needs some of our manufactured goods at the present time. It would be much better for us to let her have some of our manufactured goods than to let her have our raw materials.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. BARKLEY. I wish to announce that I have just received information that Mr. John L. Lewis has called a 12-day truce in the coal strike during which time the men are to go back to work, in the hope of working out and in the effort to work out a satisfactory agreement during that period. I feel sure the Senate is glad to hear that news, and I hope, and feel certain that we are justified in the hope, that during that period a satisfactory adjustment may be made, and that there will be no further necessity for resuming the threatening and unfortunate status of the coal strike.

Mr. JOHNSTON of South Carolina. Mr. President, I am glad to have been interrupted in order that this news might be given to us. The truth of the matter is that the United States should not permit any one man to control industrial affairs of the country and to tie up our whole Nation. So I am glad to hear that news at this particular time, and I hope that in the 12 days some solution can be reached. I hope that in the meantime the Congress of the United States will

be able to enact legislation which will be adequate to handle the situation if it becomes necessary.

Mr. President, in the Senate we have now discussed the loan to Britain, and amendments, including the amendment now before us, for many, many days. I was glad, when a vote was taken a few days ago on the first amendment, that many Senators voted in favor of the amendment, because I realize that in a matter of this kind the administration can bring a great deal of pressure to bear. Therefore, I believe that the close vote of the Senate on the first amendment, should be sufficient evidence to prove to America that the loan is not justified.

The pending amendment means much to the people of the United States, and I hope that when the vote comes upon the amendment Senators will say by their votes that they believe the people should be protected in connection with the loan to Britain to the extent that we will get at least 90 percent in trade in the United States if we give Britain the money with which to do the business. If someone were to ask me to give him 90 percent of my trade, and then furnish me with more than enough money to give him that trade, I would certainly be very glad to enter into such an arrangement.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McFARLAND. I understand that the theory of the Senator from South Carolina is that this is a gift?

Mr. JOHNSTON of South Carolina. I have always contended that it is a gift, and I voted for the amendment which would give Britain \$1,250,000,000 outright, because I thought that would help Britain a little bit, and that proposal represented a gift.

Mr. McFARLAND. Then, I take it that what the Senator is working for under that theory is that we give Britain our own goods rather than to buy someone else's goods and give to Britain.

Mr. JOHNSTON of South Carolina. That is correct. We would give them of our goods to the extent of 90 percent of the full amount, and then Britain would have 10 percent on top of that. Let her have 90 percent in goods and 10 percent to use wherever she wants to, not here in the United States. I certainly consider that to be fair to Britain if she wants to be fair to us.

I hope Senators will study the amendment carefully before they vote on it.

Mr. STEWART. Mr. President, I should like to add my endorsement of the amendment of the Senator from Louisiana. I expect to support it.

I have had in mind for several days undertaking to compile some figures which I thought might be of interest to the Senate, concerning the private income of British citizens from investments of various types in this country. I have been unable to procure all the figures which I had in mind at the beginning, and I have abandoned the idea of undertaking to introduce any elaborate figures since the agreement last

night to vote on the joint resolution at 3 o'clock. So I shall make my statement rather brief and give in a very few minutes such information as I have been able to compile, which I understand to be accurate.

In 1945 the United States Treasury Department issued a pamphlet entitled "Census of Foreign-Owned Assets in the United States." For the first time in a good many years the Treasury Department was able to compile these figures, the delay in the past having been chiefly due to the fact that the figures were not available through the office of the Alien Property Custodian or otherwise. As I understand the war expedited the opportunity of the Treasury Department to procure these figures.

We find on examination of this pamphlet that the British people—individuals, corporations, and perhaps even the British Government in some instances—owned outright, or owned controlling stock in more than 600 corporations which do business in the United States. Chiefly among those, at least from the standpoint of income, are insurance companies, particularly fire, marine, indemnity, and other types of insurance. Very little life insurance is represented.

Reading a few excerpts from this pamphlet, I quote from page 17:

Individuals in foreign countries owned directly, as of June 14, 1941, 21 percent of foreign-owned United States assets, while corporations owned 63 percent and governmental bodies and other types of persons owned 16 percent.

Then the statement refers to a table, table No. IV in the pamphlet.

The proportions were greatly affected by the war which caused foreign-exchange assets to be concentrated in the hands of governments and central banks. For example, the Government of the United Kingdom took over most of the marketable securities held by British subjects. That Government, as well as others, took over the dollar receipts of their subjects, such as interest and dividends, and when private remittances were required they were licensed to be paid out of the Government's supply of dollars.

Three types of assets predominated among the holdings of individuals: Securities to the amount of \$808,000,000, interests in estates and trusts, \$799,000,000; and deposits, \$505,000,000.

Skipping over—

Corporate holdings were principally in the form of deposits, \$2,852,000,000; interest in controlled enterprises, \$2,096,000,000; and domestic securities, \$1,812,000,000. Miscellaneous assets, mostly accounts receivable, notes, and other claims, were also large. There are wide variations in the proportions of these various types of assets among the principal countries. More than 40 percent of the holdings of British, Canadian, and Netherlands corporations were interests in controlled enterprises in the United States, whereas only 14 percent of the French and Swiss assets were of that type.

I am skipping about in this pamphlet because my time is limited.

Three-fourths of the foreign-owned American securities, as of June 14, 1941, were held by persons in five countries—the United Kingdom, Canada, Switzerland, the Netherlands, and France. \* \* \* The portfolios of these countries exhibited a marked simi-

larity in the classes of securities of which they were composed, particularly the first three mentioned—

That is, the United Kingdom, Canada, and Switzerland.

With respect to these five countries, common stock comprised about 70 percent, preferred stocks about 12 percent.

Then various tables are referred to. Skipping to page 28, under the head of "Interests concentrated in three countries" we find this comment:

Three countries—the United Kingdom, Canada, and the Netherlands—had 70 percent of the foreign interests in controlled enterprises. \* \* \* The British interests are in part the result of early participation in the development of American industry and partly the result of British preeminence in certain lines of business activity. British insurance companies, particularly in the fire, marine, and casualty group, are well known throughout the world. Their branches and subsidiaries comprised about 73 percent of the foreign-controlled interests in insurance enterprises in the United States as of June 14, 1941. In several manufacturing lines, such as cotton textiles, the British were equally predominant among the foreign-controlled enterprises. In all, there were more than 600 United States branches and subsidiaries of companies in the United Kingdom and the total value of these interests was \$712,000,000.

Although a large proportion of the value of the Canadian interests was in the railroad branch lines, the remainder was spread throughout the whole industrial range. In two other industrial groups the Canadian interests were of special importance, foods, beverages, and tobacco, and life insurance.

The pamphlet adds that there were 238 branches and subsidiaries of Canadian owners, valued at \$518,000,000, the total of the two considerably exceeding \$1,000,000,000.

Under the head of "Foreign-owned insurance enterprises," on page 30 of the same pamphlet, we find this paragraph:

The United States branches of foreign insurance companies were valued, as nearly as possible, at the book surplus of the branches, that is, by deducting general liabilities in the United States and the reserves set up by the branches to cover their liabilities under policies, from the total assets in the United States. The foreign interest in these insurance branches, calculated in this way, amounted to \$225,000,000. Foreign-controlled insurance companies incorporated in the United States were valued on the basis of the market value of the foreign-owned stock, or the book value of the stock and surplus, plus obligations due to foreigners.

Again, on page 34, which is a part of chapter IV of this pamphlet, entitled "Changes in Foreign-Owned Dollars and Gold in the United States, 1941 to 1944," we find this comment:

A more significant change in the value of foreign holdings of United States corporate securities arises out of market price fluctuations. Prices have risen substantially, particularly the prices of common stocks which comprise a large part of total foreign-owned domestic securities. The aggregate increase in market value, figured on the basis of the holdings shown in this report, amounts to more than \$600,000,000. Because of their large holdings, the British Empire, enemy-occupied Europe, and neutral Europe benefit most by this increase.

There are a number of other interesting comments and paragraphs along that line, but my time is limited and I shall not impose upon Senators who desire to comment on the pending joint resolution or amendments to it before the hour of 3 o'clock arrives.

From an examination of the pamphlet to which I have been referring and of other sources of information, we find that premiums received by British companies, paid by American property-owners for fire and casualty insurance in the United States, either to British branches or properly licensed British companies in America, amount to between \$450,000,000 and \$500,000,000 annually. These British companies and their branches observe all regulations that American stock companies are bound to observe.

In addition, Lloyd's of London, so we are informed, do a business the volume of which nobody knows, because they make no reports in America. It is estimated to be between \$150,000,000 to \$250,000,000 per annum. They pay a 4 percent stamp tax on it, but since the stamp is the same stamp as the one used for other purposes by the Treasury, the Treasury has been unable to segregate precisely the amount Lloyd's pay for stamps.

Lloyds claim they do not do business in the United States; but American customers pay just the same, and policies are usually delivered out of Montreal or London direct, but through an American broker.

In addition to paying no attention whatever to the tax requirements in this country, except in Illinois and Kentucky, where they are licensed to do business because they control large liquor insurance and distilling insurance, with the exception of those two States they pay no attention to any State regulations, rules, requirements, taxes, or anything else. Perhaps the reason why they do such a flourishing business is because of the fact that they can write policies which are more liberal and contain provisions which American companies are especially enjoined from giving, due to our various State laws.

The various insurance commissioners are keenly aware of this flagrant violation of their regulations, and they have tried for many years to devise some system to enforce control over the amount of business Lloyd's do in their respective States, but so far with little success. I understand that the figures I have cited include reinsurance ceded direct to Lloyd's companies by other American insurance companies.

Therefore, Mr. President, the total of insurance premiums which we know about and can estimate, which are paid to British-owned insurance companies, runs perhaps in excess of \$750,000,000 a year. That money goes to British stockholders, and, as was stated in the pamphlet from which I read a moment ago, the money has largely been confiscated or taken over or controlled by the British Government. Therefore, we may look upon it as a fund which goes directly to



the British Government. There are other British-owned companies which, like the insurance companies, draw a considerable amount of money out of the United States, and do so in the same manner in which the insurance companies draw it from policyholders who pay for the insurance policies they purchase from British-owned insurance companies.

Let me say by way of observation that I am advised that the American insurance companies do very little business anywhere in the United Kingdom. I do not know why that is. Perhaps it is due to the fact that they have too much competition in that field, or they may be prohibited for other reasons from entering it. I do not know about that; I have not gone into that matter. But the point is that this amount of money—three-quarters of a billion dollars—is paid every year by American policyholders to British-owned insurance companies. It is a tremendously large sum of money. Upon investigation, we find that a great many of these British companies have been doing business in the United States for many years. The British people and the British Government have come largely to depend upon this source of income, the total of which, when added to the insurance companies' income of three-quarters of a billion dollars, probably very materially exceeds a billion dollars annually.

With that amount of money available annually, I see no reason why it could not be pledged for the repayment of the debt which the British are seeking to incur by obtaining from us the pending loan of almost \$4,000,000,000. The income which the British receive from such policies—in other words, the money which is paid to the stockholders of British-owned insurance companies—almost equals the total income of the banks of the United States, according to a statement which appeared on Monday of this week, as I recall, in one of the local newspapers. According to the newspaper article to which I refer, Chairman Harl, of the Federal Deposit Insurance Corp., announced that the net profits of insured commercial banks, after taxes were paid, reached a new high of \$911,000,000 in 1945.

The amount of money paid to British insurance companies by policy holders in this country almost equals that sum of money. In other words, according to the pamphlet from which I have read, British citizens receive from insurance business done in the United States by British-owned companies a total income almost equal to the total income of the banks in the United States which are insured by the Federal Deposit Insurance Corporation. Of course, Mr. President, the British Government takes over, if it so desires, most of the income of its citizens.

So I see no reason why the British Government should object to offering as security or surety, as a guaranty of repayment of the money which they seek to borrow from us, the income, upon which they have learned to depend, of nearly a billion dollars a year which they

receive from insurance payments made in the 48 States of the United States to British-owned insurance companies.

Mr. President, I hold in my hand, and I desire to read without much comment, a very interesting article which appeared in Monday's Wall Street Journal. It is entitled "France May Have To Sell British Empire Holdings To Repay London Debt."

Paris hoped they would be used only as collateral—Sees United States loan to British as help.

The article is from the Wall Street Journal, Paris bureau, and reads as follows:

The new agreement under which France will repay loans to Britain between now and 1949 indicates the extent to which France has lost her position as a world creditor, how much she was impoverished by the war, and the indirect prejudice to world trade caused by the delay in the United States' ratification to the loan to Britain.

In order to liquidate during the next 3 years the balance of her \$440,000,000 debt to Britain, France will probably have to sell nearly all the British Empire securities she holds, it is reported here on good authority. These securities will undoubtedly include holdings in South African gold mines in which French capital participated before the First World War. But the French will probably keep their interest in the Suez Canal.

Financial quarters had hoped repayment would be arranged without the need to sell securities, and that they would be used as collateral on the British credit.

The extent to which the French portfolio will be liquidated will depend on how the British exercise their option under the repayment agreement to choose the securities to be sold.

It is understood that an order requisitioning nearly all arbitrage stocks will be issued here within the next few weeks.

In the loan arrangements the British refused to increase substantially their import quotas on French luxury goods which still represent France's chief products available for export. Normally this position would have been bitterly criticized, but it is recognized here that the British can't grant such concessions until they know whether they will get a loan from the United States.

It is hoped here that if the United States loan is arranged, new talks will be begun between the British and the French to loosen trade restrictions between the countries and open credit facilities.

Meanwhile, France must restrict her purchases in the British sterling area. France is contemplating a campaign to increase exports to the sterling area, especially the dominions. Egypt is seen as a big potential market for French luxuries.

Mr. President, I have read that article for what it may be worth, and I comment on it only to the extent of saying that we have heard that France will seek a loan from this Government after we have consummated negotiations with the British Empire. There are other facts and figures which might be of interest, and which I could elaborate considerably in indicating the wealth which Great Britain has in this country. She owns property in this country and derives from it a large income. The income amounts to tremendous proportions. It seems to me that these facts should emphasize in our minds the importance of requiring

that adequate security be given by a would-be creditor when we know that she possesses the necessary security, and should be required to make payments on a debt which she has already negotiated.

Mr. DONNELL. Mr. President, it is highly important that, before acting on the pending joint resolution, Congress determine whether it has the legal power to make the British loan.

Under date of March 9, 1946, I addressed to Hon. James F. Byrnes, Secretary of State, Washington, D. C., a letter in which reference was made to the agreement dated December 6, 1945, between the United States and the United Kingdom. Following this reference, my letter proceeded as follows:

Please inform me (a) whether, in your opinion, the Constitution of the United States vests in Congress any power which enables Congress to authorize the extension to the Government of the United Kingdom by the Government of the United States of that certain line of credit \$3,750,000,000 which is specified in the above-mentioned agreement between the United States and the United Kingdom, and (b) if, in your opinion, the Constitution of the United States does vest in Congress that power, by what specific provision or provisions of the Constitution of the United States is that power vested in Congress.

In response to my letter the Secretary of State wrote me under date of March 18, 1946, a letter, the body of which reads as follows:

I have your letter of March 9, 1946, in which you ask me whether, in my opinion, the Constitution vests in Congress the power to authorize the extension to the Government of the United Kingdom of a line of credit of \$3,750,000,000. You also inquire what specific provisions of the Constitution can be cited as granting this authority.

So far as I am aware, the power of Congress to provide for loans or grants to foreign governments has not been challenged and, indeed, has been exercised frequently since the adoption of the Constitution. A very good example of the exercise of this power by the Congress is the Export-Import Bank legislation, which authorizes loans by this Government to foreign governments in time of peace as well as in time of war.

One of the basic principles of constitutional construction is that the authority of Congress is not necessarily to be found in any particular phrase or word, but may reside in the aggregate of the powers granted to Congress by the Constitution. You will recall that article I, section 8, of the Constitution provides that—

"The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States." This section also confers upon the Congress the power "to borrow money on the credit of the United States, \* \* \* to regulate commerce with foreign nations, and among the several States, \* \* \*" and to make all laws which shall be necessary and proper for carrying into execution any of the powers specifically mentioned.

The authority of this Government to negotiate agreements with foreign governments is surely beyond question, and the provision of funds by the Congress to permit such agreements to be carried out is clearly within the aggregate of the provisions of the Constitution to which I have referred.

I am glad to have had this opportunity to assure you that I am confident of the propriety of the action of the executive branch of the Government in negotiating the Anglo-American financial agreement and the authority of the Congress to consider the implementing legislation now before it.

May I also take this occasion to express to you my conviction that the benefits received by the United States from the arrangement are very substantial indeed. The Government of the United Kingdom has agreed to remove within a short period of time the financial restrictions and controls which have prevented the free exchange of British currency for the currencies of other countries, so that the trade of the world may be unshackled and permitted to expand. The British have also agreed to support the proposals of this Government for expansion of world trade and employment and have concurred in the principles there expressed which are fundamental to the commercial policy of the United States as expressed repeatedly in the declarations and actions of this Government.

The credit which would be extended to Great Britain is to be repaid over a period of years with interest. But in addition to the return of the money lent, we have every expectation of receiving a larger portion of a larger total of world trade in the years to come.

I hope that this will satisfactorily answer the questions which you have raised.

Sincerely yours,

JAMES F. BYRNES.

Mr. President, I ask that at this point in my remarks a copy of the letter to Secretary Byrnes from me dated March 9, 1946, and the original of the letter of March 18, 1946, from the Secretary of State to me, be incorporated in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MARCH 9, 1946.

HON. JAMES F. BYRNES,

Secretary of State, Washington, D. C.

DEAR MR. SECRETARY: There is pending before the Senate of the United States Senate Joint Resolution 138, which is a joint resolution which by its terms is "to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes." Said resolution undertakes to confer on the Secretary of the Treasury authority to provide and use an amount not to exceed \$3,750,000,000 solely for the purpose of carrying out "the agreement between the United States and the United Kingdom." I understand that the agreement so mentioned in the course of said resolution is that which is dated December 6, 1945, between the United States and the United Kingdom and which is earlier mentioned in said resolution.

Please inform me (a) whether, in your opinion, the Constitution of the United States vests in Congress any power which enables Congress to authorize the extension to the Government of the United Kingdom by the Government of the United States of that certain line of credit of \$3,750,000,000 which is specified in the above-mentioned agreement between the United States and the United Kingdom and (b) if, in your opinion, the Constitution of the United States does vest in Congress that power, by what specific provision or provisions of the Constitution of the United States is that power, vested in Congress.

Inasmuch as this matter is one of great urgency, I shall appreciate your sending me as soon as possible a response to this letter.

Thanking you for giving attention to this communication, I am

Yours very truly,

FORREST C. DONNELL.

DEPARTMENT OF STATE,  
Washington, March 18, 1946.

The Honorable FORREST C. DONNELL,  
United States Senate,  
Washington, D. C.

MY DEAR SENATOR DONNELL: I have your letter of March 9, 1946, in which you ask me whether, in my opinion, the Constitution vests in Congress the power to authorize the extension to the Government of the United Kingdom of a line of credit of \$3,750,000,000. You also inquire what specific provisions of the Constitution can be cited as granting this authority.

So far as I am aware, the power of Congress to provide for loans or grants to foreign governments has not been challenged, and, indeed, has been exercised frequently since the adoption of the Constitution. A very good example of the exercise of this power by the Congress is the Export-Import Bank legislation, which authorizes loans by this Government to foreign governments in time of peace as well as in time of war.

One of the basic principles of constitutional construction is that the authority of Congress is not necessarily to be found in any particular phrase or word but may reside in the aggregate of the powers granted to the Congress by the Constitution.

You will recall that article I, section 8, of the Constitution provides that "the Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States." This section also confers upon the Congress the power "to borrow money on the credit of the United States, \* \* \* to regulate Commerce with foreign nations, and among the several States, \* \* \*" and to make all laws which shall be necessary and proper for carrying into execution any of the powers specifically mentioned.

The authority of this Government to negotiate agreements with foreign governments is surely beyond question, and the provision of funds by the Congress to permit such agreements to be carried out is clearly within the aggregate of the provisions of the Constitution to which I have referred.

I am glad to have had this opportunity to assure you that I am confident of the propriety of the action of the executive branch of the Government in negotiating the Anglo-American financial agreement and the authority of the Congress to consider the implementing legislation now before it.

May I also take this occasion to express to you my conviction that the benefits received by the United States from the arrangement are very substantial indeed. The Government of the United Kingdom has agreed to remove within a short period of time the financial restrictions and controls which have prevented the free exchange of British currency for the currencies of other countries, so that the trade of the world may be unshackled and permitted to expand. The British have also agreed to support the proposals of this Government for expansion of world trade and employment and have concurred in the principles there expressed which are fundamental to the commercial policy of the United States as expressed repeatedly in the declarations and actions of this Government.

The credit which would be extended to Great Britain is to be repaid over a period of

years with interest. But in addition to the return of the money lent, we have every expectation of receiving a larger portion of a larger total of world trade in the years to come.

I hope that this will satisfactorily answer the questions which you have raised.

Sincerely yours,

JAMES F. BYRNES.

Mr. DONNELL. Mr. President, it will be observed that the Secretary of State mentions that clause of section 8 of article I of the Constitution which includes the expression "general welfare." That clause is frequently called the "general welfare clause." The power granted by said clause, however, is the power to tax and is not a general power to provide for general welfare. It is therefore, in my opinion, far more appropriate to term said clause "the taxation clause," and I shall accordingly so term it in my further references today.

In determining whether said taxation clause authorizes Congress to adopt the pending joint resolution by which the Secretary of the Treasury would be authorized to carry out the loan agreement with the United Kingdom, attention is called to the fact that the resolution authorizes, for the purpose of carrying out said agreement, the use of \$3,750,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended. Mr. President, in my opinion, said taxation clause does not authorize the making of a loan from proceeds to be derived from the sale of bonds of the United States.

Said clause reads as follows:

The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States;

The Supreme Court of the United States, speaking in 1935 in the *Butler Case* (297 U. S. 64), referring to the clause which I have mentioned, says:

The view that the clause grants power to provide for the general welfare, independently of the taxing power, has never been authoritatively accepted. \* \* \* The true construction undoubtedly is that the only thing granted is the power to tax for the purpose of providing funds for payment of the Nation's debts and making provision for the general welfare.

Professor Willoughby, of Johns Hopkins University, in his work on the Constitution of the United States, in his discussion of said clause says:

Story, in his *Commentaries on the Constitution*, published in 1883, states the correct doctrine upon this point, which is that the words "to provide for the common defense and general welfare of the United States" are by way of limitation of the granted taxing power of Congress rather than a grant of a distinct power.

Mr. President, the above-mentioned taxation clause of the Constitution obviously does not grant any power whatsoever with respect to the use of moneys derived from the sale of bonds. Said clause relates solely to taxes, duties, imposts, and excises. With the exception of the above-mentioned clause in section 8 of article I of the Constitution



there is in that document no mention of general welfare. True, there is mention of general welfare in the preamble of the Constitution, but it is recognized law, and distinctly so held by the Supreme Court of the United States, that the preamble does not confer any legislative power whatever.

Inasmuch as said clause of section 8 of article I of the Constitution does not directly or indirectly authorize the use of proceeds of bonds, but is confined in its operation to taxes, duties, imposts, and excises, it is clear that the pending resolution providing for the disposal of proceeds of bonds cannot find legal foundation or justification under said section 8 of article I of the Constitution.

Furthermore, Mr. President, I do not think the power referred to by the Secretary of State vested in Congress "to borrow money on the credit of the United States" confers any authority to loan money. Consequently in my opinion the last-mentioned language of the Constitution does not grant any power to make the British loan.

As to whether the power to regulate commerce with foreign nations authorizes making the loan is, in my opinion, highly doubtful.

It may be suggested, however, that—to quote the Supreme Court of the United States—inasmuch as there are "differences between the powers of the Federal Government in respect of foreign or external affairs and those in respect of domestic or internal affairs," therefore Congress is relieved of the necessity of finding any constitutional authority for passing upon this loan.

True it is, Mr. President, that the Supreme Court says of these two classes of powers, in the case of *United States v. Curtiss-Wright* (299 U. S. 315):

The two classes of powers are different, both in respect of their origin and their nature. The broad statement that the Federal Government can exercise no powers except those specifically enumerated in the Constitution, and such implied powers as are necessary and proper to carry into effect the enumerated powers, is categorically true only in respect of our internal affairs.

Mr. President, it may be suggested, in view of these observations of the Supreme Court, that there is applicable in the case of the British loan the further observation of the Court in that case that "the investment of the Federal Government with the powers of external sovereignty did not depend upon the affirmative grants of the Constitution."

It may be suggested further, therefore, Mr. President, that in view of these observations of the Supreme Court of the United States Congress possesses power to make the British loan even though no grant of such power is made expressly or impliedly in the Constitution.

I shall not this afternoon discuss the suggestions respecting the powers of external sovereignty. Proper presentation or discussion of that subject would require more study than I have given to those suggestions.

In my opinion, however, there is a sound constitutional basis on which Congress has authority to authorize this loan

to be made. That basis, Mr. President, in my opinion resides in section 8 of article I of the Constitution in the language whereby "The Congress shall have power \* \* \* to declare war."

The basis to which I refer is one which has been referred to by the Supreme Court of the United States in more than one case. I quote from the case of *Hamilton v. Distilleries Co.* (251 U. S. 146), where the Court in turn quotes from an earlier decision of itself, as follows:

The power is not limited to victories in the field and the dispersion of the (insurgent) forces. It carries with it inherently the power to guard against the immediate renewal of the conflict, and to remedy the evils which have arisen from its rise and progress.

Mr. President, I refer further to a decision by the United States Circuit Court of Appeals for the Fourth Circuit, *Brown v. Wright* (137 Fed. 2d 484), the decision having been handed down by Circuit Judge Parker, in which he said the following:

The war powers of the Government "include not only those matters specifically stated, but all others reasonably implied as necessary to the execution of the main matter of waging war to a successful conclusion. These powers are not limited to battle on land and sea, in the air, and under the waters. They inherently carry with them subsidiary faculties to deal comprehensively with all exigencies created by war or arising from its inception, progress, and termination.

The Court there is citing a decision of the Massachusetts court, in 242 Massachusetts 508.

So, Mr. President, we have before us the fact that by the decisions of the courts the power to declare war goes far beyond the mere carrying on of the actual conflict. The Supreme Court says, as I have indicated, that it carries with it the power "to remedy the evils which have arisen from its rise and progress."

Certainly, we have before us in the case of the situation with respect to Britain, in the case of the situation throughout the world, and in the case of the situation in our own country, obviously a series of circumstances constituting evils which, as the Supreme Court puts it, "have arisen from its rise and progress."

So, Mr. President, I take it that this body, the Congress, has within it, by virtue of the power to declare war; first, the power to get ready for war; second, the power to carry it on; and, third, the power to solve the problems which arise as a result of and in the course of the war.

Therefore, Mr. President, I submit that although there is grave question in my mind as to the constitutional power arising under the section cited by the Secretary of State in his letter already presented to the Senate, there is, in my judgment, sufficient sound constitutional basis, in the power to declare war and to carry it to a successful termination, and to solve the problems arising out of it, to give unto the Congress the constitutional right to make the proposed loan.

I have heard with some apprehension on the floor from time to time questions raised as to our constitutional power, and I may say, Mr. President, that I myself have had the very gravest of doubt at times upon the question, but I have satisfied myself to the effect indicated, and am no longer worried or disturbed by the possibility of the Senate acting beyond its constitutional power in this respect.

Being thus satisfied that there is a sound constitutional basis on which to make the British loan, I shall mention very briefly the considerations which have caused me to arrive at the conclusion that it is advisable that this Nation enter into the proposed agreement.

In my opinion:

First. It is of high importance to the United States that the power of Great Britain in world affairs shall be preserved. In my opinion, the preservation of Great Britain as a powerful nation of English-speaking people is to the advantage of the United States of America.

Second. It is important to the United States that all reasonable efforts be made by our Nation toward expanding our foreign markets.

Third. The proposed loan will, in my opinion, tend strongly toward both the restrengthening of Great Britain and the enlargement of the foreign trade of our Nation; and, in my judgment, it is advisable that our Nation extend to Great Britain a line of credit to the amount proposed because of the probability of these ends being effected.

I am not unmindful of the fact that in the proposed agreement various obligations of Great Britain are not of the type which bankers would ordinarily prescribe as a condition to the making of a loan. Thus, among the agreements of Great Britain in the agreement is that the Government of the United Kingdom intends to make agreements with the countries concerned for an early settlement covering certain sterling balances. Obviously, the mere expression of an intention is not the creation of such an obligation as would be usually required in commercial and banking transactions as a condition precedent to the making of a loan. In my opinion, however, notwithstanding what may be termed the "loose" nature of various of Great Britain's undertakings in the agreement, I believe the net advantages reasonably to be expected by this Nation make it of advantage to the United States of America that the loan be made.

Mr. HAWKES. Mr. President, I probably have given as much consideration to the question of making this loan to Great Britain as I have ever given to any subject that has come before me. I should like to say that there is every reason in the world why I should vote for this joint resolution if I could justify it in my own mind, conscience, and judgment. I have friends, many very dear friends, in Great Britain. I am associated with very many British people in this country who are in business in the United States of America. I have a very deep feeling for the British people, for their moral fiber, their character, and

for the contribution they have made to civilization over the past two or three centuries. They have made their mistakes; and I shall not forget the speech by Lord Lothian made before the Pilgrims Society, in which he put all the faults of Great Britain on one side of the scales and all her virtues in the other side of the scales, and asked the group present to weigh them and find out if the right side of the scales did not go down. I agree that the right side was weighted most heavily and went down.

But Mr. President, when I consider the joint resolution I cannot be unmindful of the fact that we have canceled approximately \$20,000,000,000 of lend-lease. I cannot be unmindful of the fact that we are canceling in all reality the \$6,200,000,000 debt left from the last war. I cannot be unmindful of the fact that we are selling to Great Britain \$6,500,000,000 worth of war supplies, most of which are very good, for 10 cents on the dollar, or \$650,000,000.

I have wrestled with my conscience over this subject. I have listened to nearly all the speeches made in the Senate on it. I say again that if I could justify voting for the loan, in the present condition in which the proposal is handed to the Senate, I would be very much happier man than I am in voting against it, but I feel that I have a deep obligation to the American people.

With respect to these agreements, I want to say that so far as I can find—and I have analyzed them very carefully and listened to all the arguments pro and con in the Senate—there is not a single fixed obligation on the part of the British people in any of the agreements. If Senators will look through the agreements it will be found that Britain will begin to pay interest after 6 years "if." In my opinion, the condition is absolutely impossible of accomplishment.

There is only one fixed obligation in this set of agreements, and that obligation is our obligation to furnish the money. There can be no question about our obligation to furnish the money, but there is a grave question about the return of the money, even about the return of the interest. If Great Britain finds it difficult and certain conditions exist, then she can ask for further "discussion" of the matter.

The other day I spoke in favor of the McFarland amendment to the joint resolution. In my opinion that amendment should never have had to come to the floor of the Senate. The British people themselves should have recognized the great opportunity they had to say to the American people, "We want you to have equal civil rights and commercial rights with us in the airports and the air bases and the naval bases." If we are going to have equity and justice, Mr. President, I do not see how we can fail to do those things which promote and develop equity and justice. When the Senate voted down the McFarland amendment—to be sure three votes cast the other way would have changed the result, which shows the sentiment of the Senate—I came to the conclusion that Great Britain was not putting into this agreement and not willing to do so, from reports made on the floor of the Senate, the

things that really work toward equity and justice, and put us on an equal basis with them around the world.

I remember that when I was in Europe we found a difficult situation to exist respecting telecommunications and telephone communications. In order to send a message an American had to pay almost double the amount that an Englishman had to pay, in many vital and important cases.

I cannot agree with any Member of the Senate who says that the making of this loan or gift will not set a precedent for our friends of the other Allied Nations. I happen to know, regardless of what anyone may say, that one great nation is waiting right now until the British loan is decided upon, and if it is decided upon, and if it is decided favorably, that nation is going to ask for a very substantial amount of money—not one billion dollars, but more.

Mr. President, if we are going to try to build a peace based on justice and equity, I for one will not find it in my mind and my heart to say to our other allies, "We cannot treat you in the same way we treated the British people," notwithstanding the fact that I understand and appreciate the importance and the value of the English-speaking people standing together.

Friendly cooperation, justice, and equity are presumed to be the objectives of this arrangement. I believe the arrangement is more of a vehicle to create misunderstanding and loss of friendship than to create friendship. That point is more important to me than the \$3,750,000,000, because if we create a feeling in this country that Great Britain has gone back on her promises and her agreements in connection with her loan, which is presumed to adjust and settle all the other loans and obligations, I hesitate to think what the relationship will be between our common people and the British Government.

I had a friend many years ago who told me something which I have tried to remember all through life. He said, "God deliver me from an honest misunderstanding. Dishonest misunderstandings will take care of themselves."

Mr. President, I feel very strongly, I repeat, that this loan agreement as it is presented to the Senate is a vehicle to misunderstanding which may lead to enmity and bitterness. It is foolish, it seems to me, for any Senator to say that we cannot attach any amendments or changes to this loan without having the whole thing go back and take months to renegotiate. Is it inconceivable that if a deal is almost completed, and it is not quite satisfactory to one party, he cannot go to the other party and, if he is seeking something which is just, have it agreed to in short order? That is particularly true when we are the only people in the world who can lend \$3,750,000,000 at the present time. I say that the whole thing could be settled in 2 or 3 weeks. The British people always find a way to do that which is necessary to accomplish what they wish to accomplish.

As I have stated, I would have voted for this loan had the McFarland amendment been accepted. That would have

been just a little evidence that we were going to get some fixed thing of value, to which we are entitled, in my opinion, in return for the money which we are to advance.

In connection with the amendment offered by the Senator from Colorado [Mr. JOHNSON] on behalf of himself and the Senator from South Carolina [Mr. JOHNSTON], the amendment provides that the RFC shall furnish so much money to the British people, and that the balance of the loan shall be covered by bonds sold to people of the United States who are willing to buy bonds the payment of which is conditioned upon payment by the British Government of the loan. If that amendment were adopted, I could find it possible to vote for the British loan. If that amendment were adopted, I, myself, would not hesitate to buy as many of those bonds as I bought in connection with World War II in support of the United States Government. That is my money. I have the right to spend it or to take a chance on its investment; but I do not believe that I have any right to vote away the money of the people under the conditions which we are asked to grant this so-called loan of \$3,750,000,000. Millions of taxpayers will have to be burdened with taxes. Many of our veterans want loans. They think that they are entitled to them at as low an interest rate as we accord to any country on the face of the earth. I cannot be unmindful of all those considerations.

I now come to the point as to whether failure to approve this loan in both branches of the Congress would be fatal. In my opinion it would not be fatal. It certainly would not be fatal to the United States, because with our industries being shut down by the labor leaders of the United States, and with the pent-up demand in this great country, I for one would not like to see Great Britain do much trading with this country for some time to come. I believe that our own citizens should have the right-of-way in connection with the supplies which they need, and I believe that we must protect them.

I should like to read one thing which has probably had as much as anything else to do with my decision. I refer to the statement made by Mr. Winston Churchill. I read from the New York Herald Tribune:

CHURCHILL SEES EMPIRE RUINED BY ATTLEE PLANS—SAYS BRITAIN IS ON ROAD TO BANKRUPTCY; CONDEMNNS NATIONALIZATION PROGRAM

LONDON, April 29.—Former Prime Minister Churchill, in his most scathing denunciation of the Labor government, charged tonight that its present program threatens the wholesale destruction of the British Empire and "an abridgement of one-third to a half of our population."

In a long, bitter speech at Edinburgh, Churchill castigated the Labor government for handling postwar problems in a "profligate and wanton manner," and scored the present planned-reconversion program as a "utopian" Socialist scheme.

He said that if the normal processes of enterprise and production were "bent and blurred by the violent infringement of a utopian government scheme," Great Britain was "on the road—and a direct and short road—to financial bankruptcy and economic collapse, the inexorable effects of which will be an immense decline in our present stand-



ard of living and the final and fatal loss of our world position, by which alone we can keep ourselves alive."

Asserting that the Chancellor of the Exchequer "considers himself entitled to lead a riotous life of national expenditure without one thought of economy," Mr. Churchill declared: "Now we have to go, cap in hand, to the United States for a loan of about \$4,000,000,000 to balance our necessary imports for the next 2 or 3 years. I am in favor of this loan, not because I like it, but because we cannot live without it. And I do not blame the Government for seeking it."

In resuming his role as opposition leader, following his return from the United States, Churchill apparently was sounding a new challenge by the Conservative Party to the Government's nationalization program, which, with particular reference to the iron and steel industry, is slated for bitter controversy when the House of Commons reconvenes tomorrow after the Easter recess. His speech indicated the nationalization program, industry by industry.

Churchill aimed this charge at Prime Minister Attlee and his Cabinet colleagues: "There never was in all human history a community so numerous, in a position at once so magnificent and so precarious. The results of serious mistakes at this time would not be the misfortune of this class or that, or the humiliation of one party or the other, but the dissipation of the means by which more than half our population live, ending in an abridgement of about one-third to half our population, and the final extinction of Britain as the center of the widest, the most experienced and most permanent association of races and nations which has existed since the fall of the ancient Roman Empire."

Some of the restrictions and hardships now being endured by the British people, Churchill charged, are only the results of Socialist party interests and party doctrines.

He condemned the attempt to establish doctrinaire socialism in this critical period, and the unprincipled use of wartime measures as an extraparlimentary power . . . in order to give satisfaction to Socialist theories and fads and in the hopes of gathering low-grade party advantages. This deliberate and increasing tendency, he said, is hampering and poisoning our national life.

Churchill charges the Government with tardy demobilization, holding down production of consumer goods by wartime taxation and restriction in times of peace, failure of the rehousing program and the disturbance and enfeeblement of industry and enterprise.

The latter charge, he said, came about through the launching of vague, ill thought out schemes of nationalization, and by the ceaseless outpouring of threats and abuse on all employers of labor and on all forms of wealth . . . and upon every form of private enterprise, upon which even the Socialist ministers admit we must depend for our livelihood to the extent of 80 percent for many years to come.

Mr. President, I have the greatest respect for Winston Churchill, and the greatest faith in him. I have as much faith in him as in almost any other man in the world outside the United States. I believe that no man has ever done as great a job in serving his people in an hour of need as has Winston Churchill. I believe in him.

I ask Senators, in respect to the obligation which they owe to their constituents back home, if they feel that we are justified in turning over to the British Government, as it stands, \$3,750,000,000 without getting in return something, such as the bases, which they now have the power to give us without in any way injuring themselves. Does any Senator be-

lieve that the United Kingdom should not give us the right to civil and commercial use of the naval bases, the airplane fields, and the communication centers, in view of the \$35,000,000,000 which we poured into the war through Great Britain? That sum includes the last war debt, and the other assistance which we have rendered to Britain. I feel very strongly that Great Britain owes us that obligation. We could have it fulfilled without any trouble.

I wish to say further that, in my opinion, the executive and administrative branch of this Government had no right to negotiate this deal in the way it did, without consulting any Member of the Senate. I have heard no Senator say that he has been consulted. Even the majority leader, for whom I have the greatest respect, tells us that he was not consulted regarding the terms and conditions of the loan. When we must be a partner in accepting responsibility, we should be a partner in formulating the plan. I do not recognize any other type of partnership than that.

Mr. President, it is with the deepest regret that I find myself compelled to vote "no" on the joint resolution covering the British loan, unless the Johnson-Johnston amendment, which would permit the people of the United States to buy bonds to furnish the money, is adopted by the Senate.

Let me say further, in order that I may not be misunderstood, that I am willing to be a party to negotiating any kind of a loan which is sound and fair, and which gives to us some rights—not necessarily security, but some rights—to which we are entitled, and which Great Britain has it within her power to give us without in any way injuring herself. If any man who is a representative of the people of the United States feels that we are not under obligation to be good negotiators; that we are not under obligation to look after the interests of our people at this time, which is the proper time to do it, when we are passing out the money, instead of 6 months later, then I do not recognize that theory of obligation. I recognize a very definite obligation to the people of this country, who already have a burden of \$275,000,000,000 on their backs. That is a considerable burden. We may laugh it off in 1946, but we shall not laugh it off in 1956. I recognize an obligation to look after the interests of our people at the time when we are giving away their property.

Mr. JOHNSON of Colorado. Mr. President, those of us who have amendments to the pending measure still unacted upon find ourselves in a very unfortunate position. We shall not be able to have separate votes. We shall have to wait until the hour of 3 o'clock arrives, and have all our amendments voted upon immediately. That is not satisfactory, but we have no one to blame but ourselves. We got out of the way of other Senators having amendments. We have taken a chance, and now we find that we do not have a very good opportunity to present the merits of our amendments.

I refer especially to the amendment offered on behalf of the Senator from South Carolina [Mr. JOHNSTON] and my-

self. I ask unanimous consent to have the amendment printed in the RECORD at this point as a part of my remarks.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

SEC. 2. (a) (1) In order to provide funds for carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is hereby authorized to borrow, from time to time, not in excess of \$2,750,000,000, and to issue therefor bonds in the form and subject to the conditions herein-after set forth. The Secretary of the Treasury is authorized to use the proceeds of such bonds for the purpose of carrying out the agreement.

(2) Bonds issued pursuant to the authority of this subsection shall be subject to the same provisions for amortization and interest (including waiver of interest) as are provided in the agreement with respect to repayment by the United Kingdom. Payments on account of principal and interest shall be made solely from amounts paid by the United Kingdom under the agreement, but the United States shall be under no obligation to the holders of such bonds with respect to principal or interest.

(3) Bonds herein authorized shall from time to time be offered as a popular loan under such regulations prescribed by the Secretary of the Treasury as will in his opinion give the people of the United States as nearly as may be an equal opportunity to participate therein.

(4) Except as otherwise provided in this subsection, the bonds herein authorized shall be issued in the same manner, so far as is consistent with the provisions of this subsection, as bonds issued under the Second Liberty Bond Act, as amended. They shall be of distinctive design and shall bear on their face a statement to the effect that they are not backed by the credit of, or guaranteed by, the United States.

(5) No payments shall be made to the United Kingdom under the agreement or this joint resolution except from the proceeds of bonds issued under the provisions of this subsection or from funds of the Reconstruction Finance Corporation as provided in subsection (b).

(6) Inasmuch as bonds issued under this subsection are not obligations of the United States, such bonds shall not be considered for the purpose of the debt limit of the United States.

(7) The Secretary of the Treasury shall provide by regulation for the distribution on an equitable basis among the holders of such bonds of payments of principal and interest received from the United Kingdom.

(b) The Reconstruction Finance Corporation is authorized to increase the amount of the loan heretofore made by it to the United Kingdom by \$1,000,000,000 on the security now held by the Reconstruction Finance Corporation on such loan, and without restriction as to the purposes for which such loan may be expended; and hereafter the interest rate on the balance of the present loan and on the \$1,000,000,000 additional hereby authorized shall be 2 percent, with all net earnings from such security to be applied, first, to the interest on the loan, and the balance on the principal. The Reconstruction Finance Corporation is authorized and directed to make available the amount of the loan herein authorized for the purpose of making payments to the United Kingdom under the agreement of December 6, 1945, except that repayment of any amount so made available shall be made in the manner provided in such prior loan agreement in lieu of the manner provided in the agreement of December 6, 1945: *Provided*, That payments under this joint resolution to the Government of the United Kingdom shall

first be made out of the proceeds of bonds issued under the provisions of subsection (a), to the extent that such funds are available at the time any amount is drawn by the United Kingdom upon the line of credit extended in the agreement.

(c) No payment shall be made under subsection (a) or (b) of this section until the Government of the United Kingdom has completed arrangements relative to the sterling area as provided for in section 7 of the agreement of December 6, 1945, and has made agreements for a settlement covering accumulated sterling balances as provided for in section 10 of such agreement.

Mr. JOHNSON of Colorado. Mr. President, we believe that this amendment has great merit. It is a combination of two approaches to the pending question. It provides, in the first place, for a loan from the Reconstruction Finance Corporation of \$1,000,000,000, which would be made immediately available.

I need not say anything to the Senate about the reputation of Mr. Jesse Jones, and his standing as one of the greatest bankers the world has ever known. He has made a remarkable record in the Reconstruction Finance Corporation. Mr. Jones wrote an excellent editorial on the subject of the proposed British loan. I ask unanimous consent that one paragraph of his editorial be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

[From the Houston Chronicle of April 16, 1946]

In July 1941, the RFC authorized a loan of \$425,000,000 to the United Kingdom of Great Britain and Northern Ireland under authority granted it by Congress June 10, 1941, to enable RFC to make loans to governments that had defaulted on their loans from us after World War I, provided such loans were secured by investments in this country. The RFC loan is payable over a period of 15 years, with interest at 3 percent. The loan agreement provides that any sales by the British of the collateral and all income, after taxes, from all the security would be applied, first, to the interest on the loan, and then on the principal. The security includes the net profits, after taxes, made in this country by 41 British insurance companies operating here, and the capital stock of 40 additional British-owned American insurance companies. The RFC made no requirement that any of the collateral be sold.

Only \$390,000,000 of the loan was taken down by the British. Payments from the sale of pledged collateral have been \$24,565,000 and from the net income, after taxes, \$171,575,000, leaving a balance due as of February 28 of \$194,000,000. The current income after taxes from the presently pledged security is about \$37,000,000 a year. This is approximately the average over the past 10 or 12 years.

Mr. JOHNSON of Colorado. Mr. President, I now ask unanimous consent to have printed at this point in the RECORD an excerpt from the testimony of the Secretary of the Treasury, Mr. Vinson, on the pending British loan resolution, as given at the committee hearing.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

At the end of 1945 British holdings of securities and direct investments in the United States, including pledged assets, amounted

to about \$1,475,000,000. This was divided into \$575,000,000 of securities and \$900,000,000 of direct investments. The Reconstruction Finance Corporation estimates the value of the collateral pledged against the loan at about \$895,000,000.

Senator TAFT. That is included in the \$1,475,000,000, is it?

Mr. VINSON. Yes, sir.

Of the \$580,000,000 of securities and direct investments which remain unpledged, many are small holdings and of the type that cannot readily be vested and sold by the British Government. Many of these direct investments consist of offices and agencies whose real value obtains almost entirely from their connection with their parent concerns. Their book value, for this reason, is greatly in excess of their liquidating value.

In addition to the direct investments, there are some British interests in estates and trusts set up under American law. British interests are intermingled with the American interests in these estates and trusts, and the assets cannot be taken by the British Government. They are under the jurisdiction of American courts. The only way to value these interests is by the arbitrary capitalization of the income. And there are also various other scattered and miscellaneous British holdings in the United States, equally difficult to vest or liquidate.

Senator TAFT. That is in addition to the \$1,475,000,000, is it not?

Mr. VINSON. I am told that it is in addition.

Senator TAFT. That is what I would have gathered from this language.

Mr. VINSON. This \$1,475,000,000 was all securities and direct investments.

Senator TAFT. The \$895,000,000 pledged to the RFC is included in the \$1,475,000,000?

Mr. VINSON. Yes, sir.

Senator TAFT. How much is now owed against that \$895,000,000 to RFC?

Mr. VINSON. I think possibly \$250,000,000 or \$260,000,000. It was originally a credit of \$420,000,000 and they drew it down to \$395,000,000 as I recall it, and they pledged the securities, and from the income of the securities, and possibly the sale of some of those securities, it has been reduced down to approximately \$250,000,000. They paid \$38,000,000 a year on principal and interest.

Senator TAFT. RFC holds \$895,000,000 of collateral against a loan of \$250,000,000?

Mr. VINSON. Something like that.

Senator TAFT. I dislike to interrupt you, but in connection with this have you anywhere stated the balances in gold and cash that the British hold in the United States?

Mr. VINSON. The gross gold and dollar balances of the United Kingdom as of December 31, 1945, amounted to \$2,324,000,000. Liabilities against this amounted to \$427,000,000, leaving a net of \$1,897,000,000. Of the gross total, \$1,981,000,000 was in the form of gold and \$343,000,000 was dollar balances.

These gold and official dollar balances are required for several uses: First, it will be necessary to draw upon them to meet the deficit in the British international account before the United States credit becomes available; second, such assets may be needed in connection with the negotiations for the reduction of the sterling balances, and payments in connection with the settlement; third, subscriptions to the Bretton Woods institutions must be paid in part in gold; fourth, a considerable amount of gold and dollars is needed as working balances and as a reserve against future temporary deficits in the balance of payments of the United Kingdom.

Senator TAFT. Now, as to that \$427,000,000, is that the Portuguese gold?

Mr. VINSON. The largest gold liability item reported June 30, 1945, which was an earlier date, was owed to Portugal. Liability for the largest part is payable in gold. The first payment is due in 1955, and the last must be paid by 1975. They have entered into a new

agreement with Portugal in regard to that obligation.

Senator TAFT. If I remember correctly, when we had the Bretton Woods Agreement up, it was testified that at that time British assets were about \$2,200,000,000. So they have slightly increased since a year ago.

Mr. VINSON. I think that is correct.

Senator TAFT. So the net result is that the British have in this country today \$4,000,000,000 worth of property, none of which is required to be pledged against this loan?

Mr. VINSON. If you take, let us say, the \$1,475,000,000 in securities and investments and the \$2,300,000,000 in gross gold and dollar holdings, that is about \$3,800,000,000. Of course, some of the securities and investments are pledged on the RFC loan.

Senator TAFT. In 1925 you had \$2,200,000,000, and this is \$4,000,000,000; why not pay us instead of Portugal?

Mr. VINSON. What is stated here is the gold liability. Now, the terms of the Portuguese agreement provide for payments spread out over a period. But that was an obligation that was fixed before the financial agreement negotiations were under way.

Mr. JOHNSON of Colorado. Mr. President, in the editorial to which I have referred, Mr. Jones said that at the present time the United Kingdom has a loan from the Reconstruction Finance Corporation, and that as security for that loan the United Kingdom has put up certain valuable securities and holdings. Mr. Jones says that the RFC can loan an additional \$1,000,000,000 on the same security, to be added to the balance which still is due the RFC from the United Kingdom, which on December 31 amounted to something more than \$200,000,000. Mr. Jones says that the two amounts may be added together and that the securities which already have been put up by the United Kingdom in connection with the RFC loan are sufficient to stand back of both amounts. He suggests that the interest rate on the whole loan be 2 percent. Mr. Jones is authority for saying that if that is done, the income from the securities will pay off the billion-plus dollar loan in 40 years, and that the United Kingdom will have its securities intact.

Those securities are choice securities, Mr. President; they are gilt-edged securities. They pay \$37,000,000 a year in income; and Mr. Jones has figured that in 40 years the whole transaction can be completed.

Such a loan would be a satisfactory one, Mr. President, and a loan of that sort would not cause enmity between the people of the United Kingdom and the people of the United States, because it would be a sound business loan, a good banking loan. I do not see how anyone could find any fault with a loan of that kind.

Of course, such a billion-dollar loan would tide the United Kingdom over, for the present. During peacetime the balance of trade in our favor, in connection with trade between the United States and Britain, has amounted to approximately \$300,000,000. A loan of the size suggested would, of course, take care of that deficit for Great Britain.

We provide one other approach which it seems to us is entirely within keeping with American traditions. The American people have a great affection and devotion for our cousins across the sea,



for the people of the United Kingdom. The Senator from South Carolina [Mr. JOHNSTON] and I propose, by our amendment, to float a private loan in the United States for the balance of the amount, namely, \$2,750,000,000. We think the American people would respond to such a loan and would subscribe to it fully. It would at least provide a referendum. The American people would be investing their own money in this great cause.

I appreciate very much what our friend the Senator from New Jersey [Mr. HAWKES] has just said on that point. He has stated here that if he had an opportunity to do so, he would make a private investment such as the one we have outlined. I feel very certain that there is not a Senator on this floor who would not be proud to possess one of those bonds.

It has been said that there might be difficulty in floating the bonds. But I hold in my hand a pamphlet which has been placed on the desk of each Senator, and which indicates the support in the United States for the loan. An organization has already been set up. It has a board of directors and a chairman, and a special committee; and some of the most responsible people in the United States are included on the board and on the special committee on the British loan agreement. Such financial tycoons as Winthrop W. Aldrich and many other of the persons whose names appear in the list would be very helpful in connection with the floating of such a loan. I am sure that if they got back of such a proposal as the one the Senator from South Carolina and I are advocating, the private loan to Britain would be floated without any difficulty whatever.

I wish to call the attention of the Senate to the fact that at the present time Americans have invested in Europe and Asia \$10,200,000,000, in investments of one kind or another. Is it beyond reason to expect that the private citizens of the United States, if they had an opportunity to do so, would not invest \$2,750,000,000 of additional funds?

Mr. President, in the pamphlet which I have just mentioned, which was placed on my desk, the matter is presented in a very orderly fashion. Quotations are given from statements of the views of various prominent persons. The first chapter deals with the executive branch of our Government, and we find that Mr. Truman is the first person whose remarks are quoted. Then there are quoted statements by Secretary Byrnes, Secretary Vinson, Under Secretary Acheson, Will Clayton, Clair Wilcox, and others. Those men represent the executive branch of the Federal Government.

In chapter II Philip Murray, president of the CIO, is quoted. If Phil Murray, with all his great organization of the CIO, were back of the private loan we propose, and if he and the members of the CIO subscribed liberally to it—and from reading what Phil Murray has to say about the loan, I take it that they would—there is no question that a sizable amount would be subscribed.

Next the pamphlet quotes the executive council of the American Federation of Labor. They are back of this loan.

If they got back of the private loan, and if their own membership subscribed to it, that would go a long way toward making up the total subscriptions required.

The pamphlet also quotes a resolution adopted by the executive board of the National Women's Trade Union League.

In chapter III of the pamphlet, various prominent persons in the banking field are quoted. In the list of those who are quoted as favoring the loan we find the names of Winthrop W. Aldrich; Ralph E. Flanders, who is chairman of the Federal Reserve Bank of Boston; the Bankers Association for Foreign Trade; the National City Bank of New York; The Magazine of Wall Street; and Mariner S. Eccles, Chairman of the Board of Governors of the Federal Reserve System. All those outstanding bankers and banking associations are back of this loan. If they would get back of the private loan we suggest, it would be oversubscribed.

In chapter IV of the pamphlet we find that business is in favor of this loan. The following persons and organizations are quoted and are recorded as being in favor of the loan: Eric Johnston, president of the United States Chamber of Commerce, and president of the Motion Picture Association of America; the Business Advisory Council for the Department of Commerce; the National Foreign Trade Council; the board of directors of the United States Chamber of Commerce; the executive committee of United States Associates, International Chamber of Commerce; the board of directors of the Texas Cotton Association; the board of directors, Houston Cotton Exchange and Board of Trade; Foreign Traders Association of Philadelphia; William K. Jackson, vice president of the United Fruit Co.; Frederick R. Pinter, of New York; John Abbink, chairman of the board of directors of the National Foreign Trade Council, Inc.; the Advisory Board of the Office of War Mobilization and Reconversion; the National Council of American Importers, Inc.; the Overseas Automotive Club; the Motor and Equipment Manufacturers Association; and Philip D. Reed, who appeared before the Senate Banking and Currency Committee on March 13 of this year and made a statement which indicated that he was strongly in favor of the loan. Mr. President, I have been mentioning the names of outstanding financiers and organizations who could get back of the private loan we propose and could put it over very easily in the United States.

In chapter V of the pamphlet the following farm leaders and farm organizations are recorded as being in favor of the loan: the American Farm Bureau Federation, the National Farmers' Union. If those organizations, with their hundreds of thousands of members, were to get back of the private loan we propose, there would be no question about obtaining sufficient subscriptions to it.

In chapter VI of the pamphlet we find that only one veterans organization is recorded as being in favor of the loan. That is the American Veterans Committee. But I am sure that if an opportunity were given to all the veterans of the United States to subscribe to a private loan of the kind we propose, they and

all the veterans' organizations would be back of it.

In chapter VII of the pamphlet we find that the following church organizations are recorded as being in favor of the loan: The Federal Council of Churches of Christ in America; John Foster Dulles, chairman of the Commission On a Just and Durable Peace; the organization "America"; the World Alliance for International Friendship Through the Churches; the Church Peace Union and World Alliance for International Friendship Through the Churches; the Council for Social Action of the Congregational Christian Churches; and the Friends Committee on National Legislation. If all those great church organizations got back of a private loan of the kind we propose, there could be no question that it would be oversubscribed.

In chapter VIII of the pamphlet the following public-interest groups are recorded as being in favor of the loan: Americans United for World Organization, Inc.; National Council of Jewish Women; the American Association of University Women; the National Federation of Business and Professional Women's Clubs; the National Board of the Y. W. C. A.; the Committee on Education for Lasting Peace; the National League of Women Voters; the American Association for the United Nations; the Women's Action Committee for Victory and Lasting Peace; the Union for Democratic Action; the Foreign Policy Bulletin; and the Chicago Council on Foreign Relations.

In chapter IX of the pamphlet we find that the following periodicals are recorded as favoring the loan: Life, Saturday Evening Post, Newsweek, New Republic, Nation, New Leader, Nation's Business, Grace Log, Colliers, and Foreign Affairs.

In chapter X the following radio commentators are recorded as favoring the loan: Frank Kingdon, H. V. Kaltenborn, Elmer Davis, Richard Harkness, H. R. Baukhage, Gabriel Heatter, Raymond Swing, and John W. Vandercook.

In chapter XI the following columnists are recorded as favoring the loan: Frank R. Kent, Richard L. Coe, Walter Lippmann, Marquis Childs, Edgar Mowrer, Russell Reeves, William H. Hessler, Barnet Nover, Max Lerner, Edward T. Austin, George Fielding Eliot, Jon Byrne, Donald Bell, Ernest K. Lindley, Samuel Grafton, Bertram Benedict, Russell Weisman, Griffing Bancroft, Dorothy Thompson, Thomas L. Stokes, Randolph Churchill, Mark Sullivan, Russell Barnes, Sylvia F. Porter, and David Lawrence.

In chapter XII, editorials from various United States newspapers are quoted, all in favor of the making of the loan. Of course, Mr. President, if all the newspapers which are quoted in the pamphlet got back of the private loan which we suggest, there is no question as to what would happen. It would be oversubscribed. In the pamphlet, editorials from the following newspapers are quoted in support of making the loan: The Washington Star, the Washington Post, the Baltimore Sun, the Wilmington News, the New York Herald Tribune,

the New York Times, the Ithaca Journal, the Geneva (N. Y.) Times, the Wattertown (N. Y.) Times, the Amsterdam (N. Y.) Recorder, the Niagara Falls Gazette, the Elmira (N. Y.) Star-Gazette, the Elmira (N. Y.) Advertiser, the Elizabeth (N. J.) Journal, the Scranton Tribune, the Meadville (Pa.) Republican, the Philadelphia Bulletin, the Wilmington News, the Philadelphia Record, the Pittsburgh Post Gazette, the Christian Science Monitor, the Boston Traveler, the Burlington Free Press, the Lowell Sun, the Bennington Evening Banner, the Manchester Leader, the Providence Journal, the Springfield (Mass.) Republican, the Westerly (R. I.) Sun, the Woonsocket Call and Evening Reporter, the Stamford (Conn.) Advocate, the New York Journal of Commerce, the Durham (N. C.) Sun, the Baton Rouge Times, the Asheville Times, the Richmond Times-Dispatch, the Orangeburg (S. C.) Times Democrat, the Anderson (S. C.) Independent, the Charlotte (N. C.) Observer, the Macon (Ga.) Telegraph, the Anniston (Ala.) Star, the Birmingham Age-Herald, the Columbus (Ga.) Enquirer, the Luray (Va.) News and Courier, the Cleveland (Tenn.) Banner, the Louisville Courier-Journal, the Bristol (Va.) Herald-Courier, the Detroit Free Press, the Cleveland Plain Dealer, the Cleveland News, the Cincinnati Enquirer, the Youngstown (Ohio) Vindicator-Telegram, the Gary (Ind.) Post-Tribune, the Fort Wayne Journal-Gazette, the Elgin (Ill.) Courier News, the Chicago News, the Chicago Sun, the Bloomington (Ill.) Pantagraph, the Carthage (Ill.) Journal, the Decatur (Ill.) Review, the Springfield (Ill.) State Journal, the Kansas City Star, the St. Louis Globe Democrat, the St. Louis Post-Dispatch, the Des Moines Tribune, the Indianola (Iowa) Tribune, the Redwood Falls (Minn.) Gazette, the Park Rapids (Minn.) Intelligencer, the Hibbing (Minn.) Tribune, the Madison (Minn.) Independent-Press, the Topeka State Journal, the Parsons (Kans.) Sun, the Winfield Courier, the Bismarck Tribune, the San Francisco Chronicle, the Oakland Tribune, the Glendale (Calif.) News-Press, the Astoria (Oreg.) Astorian-Budget, the Eugene (Oreg.) Register Guard, the Seattle Times, the Missoula (Mont.) Missoulian, the Portland Oregonian, the Phoenix Gazette, the Cuero (Tex.) Record, the Fort Smith Times-Record, the Tyler (Tex.) Times, and the Tulsa Tribune.

Of course, Mr. President, I hear Senators say that all the groups and interests referred to in the pamphlet are very liberal, that they are liberal with other people's money, but that when it comes to putting up their own money they are not so liberal. But I refuse to accept that narrow view. I refuse to believe that the men and organizations who have endorsed the loan and have requested the Government of the United States to make a pawnshop out of its Treasury would not be willing, out of their own funds and their own money, to subscribe to a private loan.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I am sorry that I do not have time to yield. I wish I could. But our time is almost up.

Mr. President, in concluding my remarks I wish to submit tables from a speech which was made on December 6 last in the Senate of the United States by the Senator from Oklahoma [Mr. MOORE]. I ask unanimous consent that the tables be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

*Securities of other corporations (consisting principally of listed securities)*

Stock	Number of shares	
	Originally pledged	Held on Oct. 31, 1945
Allied Stores Corp., cumulative preferred	35,000	None
Allis-Chalmers Manufacturing Co., common	19,000	19,000
Amerada Petroleum Corp., common	133,000	133,000
American & Foreign Power, \$7, first cumulative preferred	100,000	100,000
American Locomotive, cumulative preferred	4,800	4,800
American Locomotive, common		8,400
American News Co., capital	10,000	10,000
American Rolling Mills, common	133,000	133,000
American Smelting & Refining Co., common	56,000	56,000
American Sugar Refining Co., cumulative preferred	4,000	4,000
American Telephone & Telegraph, capital	70,000	70,000
American Tobacco Co., B common, nonvoting	34,000	34,000
Arkansas Power & Light \$7 cumulative preferred	6,000	3,975
Barnsdall Oil Co., common	50,000	50,000
Briggs Manufacturing Co., capital	34,800	34,800
Chrysler Corp., common	36,000	36,000
Columbia Gas & Electric, 6-percent cumulative preferred, series A	19,000	19,000
C. I. T. Financial Corp., common	59,000	59,000
Commonwealth & Southern, \$6 cumulative preferred	50,000	50,000
Consolidated Gas Electric Light & Power Co. of Baltimore, common	11,000	11,000
Continental Baking Co., 8-percent cumulative preferred	12,000	None
Eastman Kodak Co., common	57,000	57,000
Electric Power & Light Corp., \$6 cumulative preferred	15,000	15,000
Flintkote Co., common	27,000	27,000
First National Bank of City of New York, capital	1,300	1,300
General American Transportation Co., common	10,000	10,000
General Motors Corp., common	434,000	434,000
Gillette Safety Razor Co., \$5 dividend cumulative convertible preferred	30,000	30,000
W. T. Grant Co., common	11,800	23,600
Great Northern Railway Co., \$6 preferred	44,000	44,000
Ingersoll-Rand Co., common	54,000	54,000
Loew's Inc., common	34,000	102,000
F. Lorillard Co., common	12,500	12,500
Marlin-Rockwell Corp., common capital	7,000	7,000

*Securities of other corporations (consisting principally of listed securities)—Con.*

Stock	Number of shares	
	Originally pledged	Held on Oct. 31, 1945
McGraw Electric Co., common	20,700	20,700
Monsanto Chemical Co., common	53,000	53,000
National Biscuit Co., common	60,000	60,000
New York Air Brake Co., common	8,500	8,500
Oxford Paper Co., \$5 cumulative preference	25,000	25,000
Public Service Corp. of New Jersey, common	24,000	24,000
Radio Corp. of America, common	177,000	177,000
Radio Corp. of America, \$3.50 cumulative convertible first preferred	8,000	8,000
St. Joseph Lead Co., common	10,000	10,000
Sears, Roebuck & Co., capital	47,000	47,000
Servell Inc., common	30,000	20,000
Shell Union Oil Co., common	100,000	100,000
Simmons Co., common	17,500	17,500
Socony-Vacuum Oil Co., capital	130,000	130,000
Standard Brands, common	170,000	42,500
Standard Oil (Indiana), capital	315,000	315,000
STERLING Drug, Inc., common	36,000	72,000
Timken Roller Bearing Co., common	19,000	19,000
Tri Continental Corp., \$6 cumulative preferred	30,000	30,000
United Shoe Machinery Corp., common	15,000	15,000
U. S. Steel Corp., cumulative preferred	21,000	21,000
Vick Chemical Co., capital	10,000	10,000
Westinghouse Air Brake Co., capital	40,000	40,000
Wheeling Steel Corp., \$5 cumulative convertible prior preferred	7,000	7,000
F. W. Woolworth Co., capital	247,000	247,000
Youngstown Sheet & Tube Co., common	75,000	75,000
Celanese Corp. of America, 7 percent cumulative prior preferred	52,519	None
Celanese Corp. of America, 7 percent cumulative second preferred	45,783	45,783
Celanese Corp. of America, common	321,135	335,096 <sup>11/16</sup> 1/100
Chicago Pneumatic Tool Co., \$3 cumulative convertible preference	32,978	32,978
Climax Molybdenum Co., common	89,995	89,995
Congoleum-Nairn, Inc., common	299,181	299,181
Dividend Shares, Inc., capital	3,655,550	3,655,550
W. R. Grace & Co., 8 percent A cumulative preferred	4,700	3,676
W. R. Grace & Co., 8 percent noncumulative B preferred	4,100	3,667
W. R. Grace & Co., 6 percent cumulative preferred	3,400	2,885
W. R. Grace & Co., common	26,400	52,452
Great Northern Iron Ore, trustees certificates of beneficial interest	79,132	79,132
International Paper Co., 5 percent cumulative convertible preferred	53,334	53,334
John Morrell & Co., capital	57,000	51,294
Pure Oil Co., 5 percent cumulative convertible preferred	8,693	8,693
Singer Manufacturing Co., capital	74,173	73,701
Standard Oil Co. (New Jersey), capital	198,002	198,002
Consolidated Natural Gas Co., capital		19,800
U. S. & International Securities, \$5 cumulative first preferred	29,988	29,488



Securities other than stock	Amount	
	Originally pledged	Held on Oct. 31, 1945
American & Foreign Power, 5-percent gold debentures	\$2,750,000	\$2,750,000
Cities Service Power & Light Co., 5½ percent gold debentures due 1952	350,000	None
Cities Service, 5-percent convertible gold debentures	1,237,000	1,237,600
Virginian Corp., collateral trust 5-percent serial note series M	1,974,000	1,474,000

*Securities of corporations in which British ownership is substantial or controlling*

Stock	Number of shares	
	Originally pledged	Held on Oct. 31, 1945
U. S. Potash, 6-percent preferred	615	None
U. S. Potash, common	262,480	162,480
Delta & Pine Land Co., capital	2,976	2,976
Delta Planning Co., common	3,434	None
Linen Thread Co., capital	90,000	90,000
Yardley of London, 4½-percent preferred	30,595	30,595
Yardley of London, common	87,247	130,870½
Harry Ferguson, Inc., A common	6,000	6,000
Harry Ferguson, Inc., B common	1,500	1,500
R. T. French Co., capital	35,000	35,000
Atlantis Sales Corp., capital	50	50
Oldbury Electro Chemical Co., capital	8,400	8,400
Lea & Perrins, Inc., A stock common	2,107	2,107
Lea & Perrins, Inc., B stock common	5	5
Arkwright Finishing Co., capital	7,000	7,000
Interlaken Mills, capital	19,969	19,969
Distillers Co., Ltd., capital	850,250	850,250
Morganite Brush Co., Inc., capital	7,500	7,500
B. Priestley & Co., Inc., capital	2,500	2,500
Firth-Sterling Steel Co., 7-percent cumulative preferred	2,532	None
Firth-Sterling Steel Co., common	40,732	None
Keasbey & Mattison, capital	20,140	20,140
Funch Edge & Co., capital	12,000	20,000
Twenty-Five Broadway Corp., capital	11,300	11,300
Baker Perkins, Inc., 7-percent cumulative preferred	1,049	None
Baker Perkins, Inc., common	64,696	64,696
Pacific Molasses Co., Ltd., capital	3,750	37,500
A. J. White, Ltd., capital	500	500
Menley & James, Ltd., capital	1,550	1,550
Hecht, Levis & Kahn, Inc., capital	4,000	4,000
Crown Mills, Inc., 7-percent cumulative preferred	5,000	None
Crown Mills, Inc., capital	9,997	None
F. W. Berk & Co., Inc., capital	100	100
American Association, Inc., capital	151,844	151,844
Mica Insulator Co., capital	5,359	5,359
C. Tennant Sons & Co., of New York capital	7,164	2,139
American Thread Co., 5-percent cumulative preferred	427,477	381,674
American Thread Co., common	1,197,375	1,197,375
Joseph Tetley & Co., Inc., 8-percent cumulative preferred	4,580	4,580
Joseph Tetley & Co., Inc., common	4,000	4,000
Dunlop Tire & Rubber Co., 8-percent cumulative first preferred	610	610
Dunlop Tire & Rubber Co., 8-percent noncumulative second preferred	31,600	31,600
Dunlop Tire & Rubber Co., common	197,334	197,334
J. & P. Coates (R. I.), Inc., capital	144,991	144,991
Clark Thread Co., capital	179,991	179,991
Clark Thread Co. of Georgia, capital	18,605	18,605
North Georgia Processing Co., Inc., capital	800	800
Stowell-MacGregor Corp., common	4,399	4,399
Spool Cotton Co., Inc., capital	2,491	2,491
Jonas Brook & Bros. (U. S. A.), capital	92	92
Dentist Supply Co. of N. Y., common	100,765	100,765
F. W. Cook Co., capital	1,005	1,005
Norma Hoffman Bearings Corp., 6 percent cumulative preferred	7,029	7,029

*Securities of corporations in which British ownership is substantial or controlling—Continued*

Stock	Number of shares	
	Originally pledged	Held on Oct. 31, 1945
Norma Hoffman Bearings Corp., common	90,000	90,000
Ensign-Bickford Co., common	10,779	10,779
Okonite-Callendar Cable, 6 percent noncumulative preferred	1,000	1,000
Okonite-Callendar Cable, common capital	7,495	7,495
Pembroke Chemical Corp., capital	255	255
Josiah Wedgewood & Sons, B capital	440	440
Josiah Wedgewood & Sons, A capital	300	300

Securities other than stock	Amount	
	Originally pledged	Held on Oct. 31, 1945
Delta & Pine Land Co., first mortgage bonds	\$3,000,000.00	\$2,687,633.12
Delta & Pine Land Co., demand note	1,800,000.00	1,689,731.00
American Association, Inc., 5-percent second mortgage B income debentures	1,420,250.00	1,420,250.00
Assignment of Fine Cotton Spinners and Doublers Association, of money due from Delta & Pine Land Co. of Mississippi	1,926,000.00	1,926,000.00
Assignment from Dunlop Rubber Co., Ltd., of money due from Dunlop Tire & Rubber Corp.	26,347,350.40	26,097,350.40
Okonite-Callendar Cable Co., first mortgage 5-percent debentures	275,000.00	75,000.00

*British-owned shares of United States insurance companies*

Stock	Number of shares	
	Originally pledged	Held on Oct. 31, 1945
American & Foreign Insurance Co.	14,500	14,900
Capital Fire Insurance Co. of California	9,955	9,955
Eagle Indemnity Co.	19,505	19,905
Federal Union Insurance Co.	9,925	9,925
Globe Indemnity Co.	24,875	24,875
Newark Fire Insurance Co.	398,436	398,436
Queen Insurance Co. of America	49,885	49,885
Royal Indemnity Co.	24,914	24,914
Seaboard Insurance Co.	5,935	5,935
Star Insurance Co. of America	9,935	9,935
American Central Insurance Co.	19,985¼	19,985¼
California Insurance Co.	24,945	24,945
Columbia Casualty Co.	9,996	9,996
Commercial Union Fire Insurance Co. of New York	9,837½	9,837½
Commonwealth Insurance Co. of New York	9,935	9,935
Homeland Insurance Co. of America	9,935	9,935
Mercantile Insurance Co.	9,935	9,935
Pennsylvania Fire Insurance Co.	9,955	9,955
Columbia Insurance Co. of New York	9,935	9,935
Imperial Assurance Co.	9,120	9,120
Phoenix Indemnity Co.	11,000	20,000
United Fireman's Insurance Co. of Philadelphia	37,950¾	37,950¾
Potomac Insurance Co. of the District of Columbia	7,990	7,990
Orient Insurance Co.	9,955	9,955
Safeguard Insurance Co.	7,405	7,405
Eureka-Security Fire & Marine Insurance Co.	199,994	199,994
Monarch Fire Insurance Co.	102,154	102,154

*British-owned shares of United States insurance companies—Continued*

Stock	Number of shares	
	Originally pledged	Held on Oct. 31, 1945
Sun Indemnity Co. of New York	8,360	8,360
Sun Underwriters Co. of New York	5,935	5,935
American Union Insurance Co.	9,935	9,935
Central Union Insurance Co.	4,955	4,955
Provident Fire Insurance Co.	18,200	18,200
Manhattan Fire & Marine Insurance Co.	2,425	2,425
Seaboard Fire & Marine Insurance Co.	39,394	39,394
Yorkshire Indemnity Co.	4,500	4,500
Eagle Fire Co. of New York	99,325¾/1000	99,325¾/1000
Norwich Union Indemnity Co.	5,000	5,000
Albany Insurance Co.	16,870	16,870
Prudential Insurance Co. of Great Britain in New York	5,926	5,926
Caledonian-American Insurance Co.	2,955	2,955

Mr. JOHNSON of Colorado. Mr. President, I now yield the floor to my colleague the Senator from South Carolina [Mr. JOHNSTON].

Mr. JOHNSTON of South Carolina. Mr. President, only 12 minutes remain before the vote will be taken on the pending amendment and the joint resolution. I wish to address the Senate for a few minutes.

The amendment which has been offered by the Senator from Colorado [Mr. JOHNSON] and myself would afford to the British exactly what they want, namely, \$3,750,000,000. But it would do so in this way: It would afford to them \$1,000,000,000 only after the United States had required the British to hypothecate a sufficient amount of security to insure the repayment of the money. There would then remain \$2,750,000,000 with reference to which the people of the United States could speak for themselves in saying whether they wished to allow the British to have it. If that is not a fair way in which to handle the matter, then I do not know what is fair. The amendment would allow those persons in the United States who wish the British to have the money, to put up the funds and would not require other persons, who probably do not believe that the money will be repaid, to contribute their funds. Remember, Senators, every cent of this money will be paid by the taxpayers of the United States. We must first borrow the money before we can lend it to the British. If we now had the money I would be glad to lend it to the British, but it must be remembered that we already owe approximately \$280,000,000,000.

I believe there are a sufficient number of persons in the United States who would back a loan to the extent of \$2,750,000,000. Why do I believe so? It has been estimated that at the present time the British have holdings in the United States of a value of approximately \$10,000,000,000. They have interests in this country, and they would try to the best of their ability to sell the bonds. I believe that the British would be more in-

clined to pay back the money if the people in this country who loaned it held the British bonds and the British knew that if they did not repay the money the holders of the bonds would keep them permanently.

Some persons smile and laugh as if to say, "No; the people would not buy the bonds." Senators know they would not. But, if they would not buy \$2,730,000,000 worth of British bonds, would it be correct for us to take the money of the taxpayers of the United States and give it to the British as a loan? Yesterday I voted to give the British \$1,250,000,000. I was glad to do so. However, I wanted the money to be used as a gift and not as a loan. I do not want the people of the United States to say later to their representatives, "You said you were making a loan, and yet the borrowers do not pay it back."

Mr. President, what about the loan we have already made to Britain? Long ago she ceased making payments on it. It would probably hurt Britain's feelings to receive a notice that the money is due. The matter was gone into when the hearings were held on the proposed loan. I do not know whether or not we sent Britain a notice. I shall have to check my records in order to ascertain. I believe we sent her a formal notice, but I will not state for certain that we did. I fear that the same situation may exist in the future. Mr. President, the people of this country who wish to lend money to Great Britain should go into the venture with their eyes open and buy Great Britain's bonds. If that is done, no one will be advancing funds without knowing all the facts involved.

Why should we not require that the securities to which I have referred be pledged to the persons in this country who loan the money? We have been told that the securities are here, and that they would easily pay off the principal and interest on the loan.

There is another side to this situation, Mr. President. If we make this loan as proposed by the Johnson-Johnston amendment we will let the other nations know that when they request a loan, and put up the necessary security, they will be able to obtain the money. If we make the proposed loan under the terms as they are now written, Senate Joint Resolution 138 will prove to be a headache. But if we allow the British to receive \$1,000,000,000 on good security, and the remaining \$2,750,000,000 from money collected from the people who have bought British bonds, and treat in the same way other nations who make requests for loans, we may all be much happier. I ask the Senator from Florida, what will be done when Russia applies for a loan? Will we refuse her request?

Mr. PEPPER. Mr. President—

Mr. JOHNSTON of South Carolina. I yield.

Mr. PEPPER. The Senator from South Carolina asked me a question as to what we will do when application for a loan is made by Russia. As a matter of fact, an application for a loan from the United States has already been made by Russia. If Generalissimo Stalin is fairly well informed about Russian affairs, as I have had a general idea that

he was, he has not as yet received a very favorable response, if any at all, to his application. The first application which was made was for \$6,000,000,000. According to Generalissimo Stalin's advice to me, no response was received to that request. The other application was for \$1,000,000,000, which is the one that was lost in a pigeonhole, as Senators will recall.

The Senator has suggested at least a criterion which I believe to be desirable and practicable. He has stated that the same standards should be applied to all borrowers. It would please me immensely if the Senate would lay down a standard which could be applied to all nations in their requests for loans.

I am in favor of the British loan because, I believe, it would be a good transaction for Great Britain and for this country as well. But I also believe that a Russian loan would be good for this country and the remainder of the world. I believe further that a French loan, as well as some other loans, would be practical and helpful. However, I would lay down three criteria. First, could the loan, in the opinion of good businessmen, be repaid? I am willing to accept Mr. Will Clayton as a good businessman, because he has proved to be such by making approximately \$20,000,000 in private enterprise. Secondly, would the loan be used for peaceful purposes? Thirdly, would the loan be used to the benefit of the United States of America? If the Senator can devise any criteria which would apply alike to all countries, I believe he would be doing a great service, because I am very much afraid that when Russia eventually succeeds in having her application heard, someone will say that in order to get the loan she should be willing to change her form of government, or do other things which, I am sure, she would refuse to do.

Mr. JOHNSTON of South Carolina. Mr. President, I thank the Senator from Florida for his statement. What he has said points clearly to the fact that Russia will ask for \$6,000,000,000. She has already asked for it, according to the Senator's statement. Her application is before the United States Government at the present time. I am asserting, Mr. President, that if the Government of the United States does not treat Russia and other countries in the same way it treats the British, it will be severely criticized. That is what I fear.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Kentucky?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. BARKLEY. In order that the record may be accurate, Russia has made no application for a loan of \$6,000,000,000. She has made an application for a loan of \$1,000,000,000, which has not as yet proceeded to the stage of negotiation between Russia and the United States.

Mr. JOHNSTON of South Carolina. I predict that Russia, being the large nation she is, will increase her request if she has thus far asked for only \$1,000,000,000. [Laughter.]

Mr. PEPPER. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. Mr. President, I warn the Senate that if it approves the proposed British loan it will be establishing a precedent which it will regret in time to come, because every nation wanting money will come to the United States for it.

The PRESIDING OFFICER. The Senator from South Carolina will suspend. The hour of 3 o'clock having arrived, under the unanimous consent agreement of yesterday, further debate is not in order.

The question now before the Senate is on agreeing to the amendment offered by the Senator from Louisiana [Mr. ELLENDER] on behalf of himself and the Senator from South Carolina [Mr. JOHNSTON].

Mr. ELLENDER. Mr. President, I ask that the amendment be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. At the end of the joint resolution it is proposed to insert the following new section:

It shall be a condition on any payment made to the United Kingdom pursuant to the agreement dated December 6, 1945, that not less than 90 percent of the amount thereof shall be used for purchases by the United Kingdom of goods and services in the United States.

The PRESIDING OFFICER. The yeas and nays having previously been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. MORSE. My colleague the senior Senator from Oregon [Mr. CORDON] is absent on official business of the Senate.

Mr. HOEY. The senior Senator from North Carolina [Mr. BAILEY] is absent because of illness. If present, he would vote "nay."

Mr. HATCH. My colleague the junior Senator from New Mexico [Mr. CHAVEZ] is unavoidably detained on important public business. If present, he would vote "nay."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

I wish to announce further that if present and voting, the Senator from Missouri [Mr. BRIGGS], the Senator from Texas [Mr. CONNALLY], and the Senator from West Virginia [Mr. KILGORE] would vote "nay."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris



meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. If present, he would vote "nay."

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate.

The result was announced—yeas 29, nays 52, as follows:

YEAS—29		
Brewster	Langer	Stewart
Brooks	McCarran	Taft
Bushfield	McClellan	Tydings
Butler	McFarland	Walsh
Byrd	Moore	Wheeler
Capper	O'Daniel	Wherry
Ellender	Revercomb	Willis
Huffman	Robertson	Wilson
Johnson, Colo.	Russell	Young
Johnston, S. C.	Shipstead	
NAYS—52		
Aiken	Hatch	Myers
Austin	Hawkes	O'Mahoney
Ball	Hayden	Pepper
Bankhead	Hickenlooper	Radcliffe
Barkley	Hill	Reed
Bridges	Hoey	Saltonstall
Buck	Knowland	Smith
Donnell	La Follette	Stanfill
Downey	Lucas	Taylor
Eastland	McKellar	Thomas, Okla.
Ferguson	McMahon	Thomas, Utah
Fulbright	Magnuson	Tobey
George	Maybank	Tunnell
Gerry	Mead	Wagner
Green	Millikin	White
Guffey	Mitchell	Wiley
Gurney	Morse	
Hart	Murdock	
NOT VOTING—15		
Andrews	Carville	Gossett
Bailey	Chavez	Kilgore
Bilbo	Connally	Murray
Briggs	Cordon	Overton
Capehart	Glass	Vandenberg

So the amendment of Mr. ELLENDER and Mr. JOHNSTON of South Carolina was rejected.

The PRESIDING OFFICER. The question next arises upon the amendment offered by the Senator from Colorado [Mr. JOHNSON] on behalf of himself and the Senator from South Carolina [Mr. JOHNSTON].

Mr. JOHNSON of Colorado. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. RUSSELL. Mr. President, may we have the amendment stated?

The PRESIDING OFFICER. The Clerk will state the amendment.

The CHIEF CLERK. In lieu of the language proposed to be inserted by the committee amendment, it is proposed to insert the following:

Sec. 2. (a) (1) In order to provide funds for carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is hereby authorized to borrow, from time to time, not in excess of \$2,750,000,000, and to issue therefor bonds in the form and subject to the conditions herein after set forth. The Secretary of the Treasury is authorized to use the proceeds of such bonds for the purpose of carrying out the agreement.

(2) Bonds issued pursuant to the authority of this subsection shall be subject to the same provisions for amortization and interest (including waiver of interest) as are provided in the agreement with respect to repayment by the United Kingdom. Payments on account of principal and interest shall be made solely from amounts paid by the United Kingdom under the agreement, but the United States shall be under no obligation to the holders of such bonds with respect to principal or interest.

(3) Bonds herein authorized shall from time to time be offered as a popular loan un-

der such regulations prescribed by the Secretary of the Treasury as will in his opinion give the people of the United States as nearly as may be an equal opportunity to participate therein.

(4) Except as otherwise provided in this subsection, the bonds herein authorized shall be issued in the same manner, so far as is consistent with the provisions of this subsection, as bonds issued under the Second Liberty Bond Act, as amended. They shall be of distinctive design and shall bear on their face a statement to the effect that they are not backed by the credit of, or guaranteed by, the United States.

(5) No payments shall be made to the United Kingdom under the agreement or this joint resolution except from the proceeds of bonds issued under the provisions of this subsection or from funds of the Reconstruction Finance Corporation as provided in subsection (b).

(6) Inasmuch as bonds issued under this subsection are not obligations of the United States, such bonds shall not be considered for the purpose of the debt limit of the United States.

(7) The Secretary of the Treasury shall provide by regulation for the distribution on an equitable basis among the holders of such bonds of payments of principal and interest received from the United Kingdom.

(b) The Reconstruction Finance Corporation is authorized to increase the amount of the loan heretofore made by it to the United Kingdom by \$1,000,000,000 on the security now held by the Reconstruction Finance Corporation on such loan, and without restriction as to the purposes for which such loan may be expended; and hereafter the interest rate on the balance of the present loan and on the \$1,000,000,000 additional hereby authorized shall be 2 percent, with all net earnings from such security to be applied, first, to the interest on the loan, and the balance on the principal. The Reconstruction Finance Corporation is authorized and directed to make available the amount of the loan herein authorized for the purpose of making payments to the United Kingdom under the agreement of December 6, 1945, except that repayment of any amount so made available shall be made in the manner provided in such prior loan agreement in lieu of the manner provided in the agreement of December 6, 1945: *Provided*, That payments under this joint resolution to the Government of the United Kingdom shall first be made out of the proceeds of bonds issued under the provisions of subsection (a), to the extent that such funds are available at the time any amount is drawn by the United Kingdom upon the line of credit extended in the agreement.

(c) No payment shall be made under subsection (a) or (b) of this section until the Government of the United Kingdom has completed arrangements relative to the sterling area as provided for in section 7 of the agreement of December 6, 1945, and has made agreements for a settlement covering accumulated sterling balances as provided for in section 10 of such agreement.

The PRESIDING OFFICER. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. MORSE. I should like to have the RECORD show on this vote, as on the previous vote and on all following votes, that my colleague, the senior Senator from Oregon [Mr. CORDON], is absent on official business of the Senate.

Mr. HOEY. The senior Senator from North Carolina [Mr. BAILEY] is absent because of illness. If present he would vote "nay."

Mr. HATCH. My colleague, the junior Senator from New Mexico [Mr. CHAVEZ]

is unavoidably detained on important public business. If present he would vote "nay."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

I wish to announce further that if present and voting, the Senator from Missouri [Mr. BRIGGS], the Senator from Texas [Mr. CONNALLY], and the Senator from West Virginia [Mr. KILGORE] would vote "nay."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. If present he would vote "nay."

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate.

The result was announced—yeas 26, nays 55, as follows:

YEAS—26		
Brewster	Johnston, S. C.	Shipstead
Brooks	La Follette	Stewart
Bushfield	Langer	Walsh
Butler	McFarland	Wheeler
Capper	Moore	Wherry
Ellender	O'Daniel	Willis
Hawkes	Revercomb	Wilson
Huffman	Robertson	Young
Johnson, Colo.	Russell	
NAYS—55		
Aiken	Hatch	O'Mahoney
Austin	Hayden	Pepper
Ball	Hickenlooper	Radcliffe
Bankhead	Hill	Reed
Barkley	Hoey	Saltonstall
Bridges	Knowland	Smith
Buck	Lucas	Stanfill
Byrd	McCarran	Taft
Donnell	McClellan	Taylor
Downey	McKellar	Thomas, Okla.
Eastland	McMahon	Thomas, Utah
Ferguson	Magnuson	Tobey
Fulbright	Maybank	Tunnell
George	Mead	Tydings
Gerry	Millikin	Wagner
Green	Mitchell	White
Guffey	Morse	Wiley
Gurney	Murdock	
Hart	Myers	
NOT VOTING—15		
Andrews	Carville	Gossett
Bailey	Chavez	Kilgore
Bilbo	Connally	Murray
Briggs	Cordon	Overton
Capehart	Glass	Vandenberg

So the amendment of Mr. JOHNSON of Colorado and Mr. JOHNSTON of South Carolina was rejected.

Mr. LANGER. Mr. President, I offer my second amendment, which is Senate bill 1891, which I ask to have read, and on which I ask for a vote.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of the joint resolution it is proposed to add the following new section:

SEC. —. (a) There is hereby authorized to be appropriated the sum of \$3,750,000,000, which shall be available to the Commissioner of Public Roads for making loans to States for the purpose of enabling them to construct and repair secondary and feeder roads, and bridges and approaches thereto situated on such roads.

(b) The amounts appropriated pursuant to subsection (a) shall be apportioned among the States in accordance with the formula contained in section 21 of the Federal Highway Act, as amended. The amount apportioned to a State shall be available to the Commissioner, during the period beginning on July 1, 1946, and ending June 30, 1951, for making loans to such State for the purposes specified in subsection (a).

(c) Loans made to States hereunder shall mature in not to exceed 50 years from the date of making thereof and shall bear interest at the rate of 2 percent per annum, except that (1) no interest shall accrue or be payable for any period prior to July 1, 1951, and (2) in the case of any State, the governor of which certifies to the Commissioner of Public Roads that any portion of the principal or interest on any such loan cannot be repaid upon maturity, such unpaid portion shall be canceled.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota [Mr. LANGER].

The amendment was rejected.

Mr. LANGER. Mr. President, I now offer my amendment No. 3 and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. After the resolving clause it is proposed to insert "Title I," and at the end of the joint resolution to insert the following—

The PRESIDING OFFICER. Does the Senator from North Dakota wish to have the amendment read or printed in the RECORD? It is rather long.

Mr. LANGER. It is rather long, but I should like to have it read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. After the resolving clause, it is proposed to insert "Title I," and at the end of the joint resolution to insert the following:

#### TITLE II

SEC. 101. No department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over, or prescribe any requirements with respect to, any school, or any State educational institution or agency, with respect to which any funds have been or may be made available or expended pursuant to this title, nor shall any term or condition of any agreement or any other action taken under this title, whether by agreement or otherwise, relating to any contribution made under this title to or on behalf of any school, or any State educational institution or agency, or any limitation or provision in any appropriation made pursuant to this title, seek to control in any manner, or prescribe requirements with respect to, or authorize any department, agency, officer, or employee of the United States to direct, supervise, or control in any manner, or prescribe any requirements with respect to, the administration, the personnel, the curriculum, the instruction, the methods of instruction, or the materials of instruction.

#### APPROPRIATION AUTHORIZED

SEC. 102 (a) For the purpose of enabling States and their local public-school jurisdiction to meet emergencies in financing their public elementary and public secondary schools by providing funds for the payment of the salaries of teachers and other school employees to keep schools open, to employ additional teachers to relieve overcrowded classes, to raise substandard salaries of teachers and other school employees, and to adjust the salaries of teachers and other school employees to meet the increased cost of living, there is hereby authorized to be appropriated for each fiscal year in which the Congress shall find a need therefor, beginning with the year ending June 30, 1946, \$200,000,000, to be apportioned to the States as hereinafter provided. This authorization shall terminate 1 year after the President shall have declared the emergency due to the war to have ceased, or 1 year after the Congress by concurrent resolution shall have so declared.

(b) For the purpose of more nearly equalizing public elementary and public secondary school opportunities among and within the States, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1946, and for each fiscal year thereafter, \$100,000,000, to be apportioned to the States as hereinafter provided.

#### APPORTIONMENT

SEC. 103. The funds appropriated under section 102 of this title shall be apportioned to the respective States by the United States Commissioner of Education (hereinafter called the "Commissioner"), in the following manner:

(A) The amount apportioned to each State from the funds appropriated under the authorization of section 102 (A) shall be an amount which bears the same ratio to the total amount made available as the average daily attendance (for the latest year for which data are available in the office of the Commissioner) of pupils attending all types of public elementary schools (including kindergartens and nursery schools) and public secondary schools (including through the fourteenth grade) in that State bears to the total of such average daily attendance for all the States.

(B) From not less than 98 percent of the funds appropriated under section 102 (B) the amount apportioned to each State shall be an amount which bears the same ratio to the total amount made available as the index of financial need of such State bears to the sum of the indexes of financial need of all the States. The index of financial need of the respective States shall be computed as follows:

(1) For each State the Commissioner shall compute the percentage that the number of inhabitants 5 to 17 years of age, inclusive, in that State is of the number of such inhabitants in the United States, excluding Alaska, Hawaii, Puerto Rico, American Samoa, the Virgin Islands, and Guam.

(2) For each State the Commissioner shall compute the percentage that the total estimated income payments in that State is of the total estimated income payments in the United States, excluding Alaska, Hawaii, Puerto Rico, American Samoa, the Virgin Islands, and Guam.

(3) For each State the Commissioner shall compute the excess, if any, of the first-mentioned percentage over 65 percent of the second-mentioned percentage. This excess, if any, for each of the respective States shall be the index of financial need: *Provided*, That as soon as feasible after the enactment of this title, and annually thereafter at such time as shall be agreed upon, the Director of the Bureau of the Census shall certify to the Commissioner the estimated number of inhabitants 5 to 17 years of age in each State, and the Secretary of Commerce or his design-

nated agent shall certify to the Commissioner the total estimated income payments in each State in the latest year for which estimates have been made: *Provided further*, That the first three annual apportionments shall be based on the indexes of financial need first determined and thereafter the apportionment for each year shall be based on the indexes of financial need determined the third preceding fiscal year.

From not to exceed 2 percent of the funds appropriated under section 102 (B) such sums as may be necessary shall be apportioned by the Commissioner to Alaska, Hawaii, Puerto Rico, American Samoa, the Virgin Islands, and Guam according to their respective needs for additional funds for public elementary and public secondary schools upon the basis of joint agreements made with their respective State educational authorities.

#### CERTIFICATION AND PAYMENT

SEC. 104. The Commissioner shall certify regularly the amounts allotted under this title to each State that has accepted the provisions of this title to the Secretary of the Treasury, who shall, through the Division of Disbursement of the Treasury Department and prior to audit or settlement by the General Accounting Office, pay to the treasurer or corresponding official of such State the amount certified for each fiscal year in four equal installments, as soon after the first day of each quarter as may be feasible, beginning with the first quarter of the fiscal year for which appropriations made under the authorization of this title are available. Each such treasurer shall account for the moneys received as a trustee of funds of the United States, and shall pay out such funds only on the requisition of the State educational authority.

#### AVAILABILITY OF APPROPRIATIONS

SEC. 105. (A) The funds paid to a State from the funds appropriated under section 102 (A) of this title shall be available for disbursement by that State to local public-school jurisdictions, or other State public-education agencies, for the payment of salaries of teachers and other school employees in public elementary schools (which may include kindergartens and nursery schools) and public secondary schools (which may include through the fourteenth grade) for any or all of the following purposes: (1) To keep public schools open for a term of not less than 160 days or to make suitable provisions for the education of the pupils affected by closed schools, (2) to raise substandard salaries, (3) to reduce overcrowded classes by the employment of additional teachers, (4) to adjust the salaries of teachers and other school employees to meet the increased cost of living during the emergency.

(B) In order more nearly to equalize educational opportunities, the funds paid to a State from the funds appropriated under section 102 (B) of this title shall be available for disbursement by that State to local public-school jurisdictions, or other State public-education agencies, for all types of expenditures for public elementary schools (which may include kindergartens and nursery schools) and public secondary schools (which may include through the fourteenth grade).

(C) A State may use not to exceed 1 percent of the funds received by it under this title to pay the expenses of the State department of education necessary for the efficient administration of the funds received under this title.

(D) No provision of this title shall be construed to delimit a State in its definition of its program of public education: *Provided*, That the funds paid to a State under this title shall be expended only by public agencies and under public control.



## STATE ACCEPTANCE PROVISIONS

SEC. 106. (A) In order to qualify for receiving funds appropriated under this title, a State—

(1) through its legislature, shall (a) accept the provisions of this title and provide for the administration of funds to be received; (b) provide that the State treasurer, or corresponding official in the State, shall serve as trustee for the funds paid to that State under this title; (c) provide that its State educational authority shall represent the State in the administration of funds received; (d) provide for an audit by the State educational authority of the expenditure of funds received and apportioned to local school jurisdictions, or other State public-educational agencies, and for a system of reports from local school jurisdictions and other public-educational agencies of the State to such authority; (e) provide that the State educational authority shall make reports to the Commissioner with respect to the expenditure of funds received and the progress of education on forms to be provided by the Commissioner; (f) in States where separate public schools are maintained for separate races, provide for a just and equitable apportionment of such funds for the benefit of public schools maintained for minority races, without reduction of the proportion of State and local moneys expended for educational purposes during the fiscal year ended in 1944 for public schools for minority races: *Provided*, That in any State in which the legislature has not taken the action specified in this section, the chief executive of such State may, until such action has been taken or until 6 months after the adjournment of the first regular session of the legislature in such State following the date of the enactment of this title, whichever first occurs, take such action for such period as is required by this title to be taken by legislative enactment;

(2) either through its legislature, or through its State educational authority, if the legislature so directs, provide for apportioning the funds received under this title in such manner as to comply with the provisions of section 105 of this title; and

(3) shall transmit through its State educational authority to the Commissioner official notice of acceptance and certified copies of the legislative enactments and the official regulations that may be issued by the State educational authority in connection with such funds. Any amendments of such enactments and revisions of official regulations shall in like manner be transmitted to the Commissioner.

(B) The funds appropriated under the authorization of this title shall be allotted only to those States which, during the fiscal year preceding the fiscal year for which the apportionment is made, have provided from State revenues for all public elementary and public secondary-school purposes not less than either the total amount, or the amount per pupil in average daily attendance, actually spent for such purposes in the fiscal year ended in 1944: *Provided*, That if the State fails during any year to comply with the conditions specified in this paragraph due to acts of God, or other circumstances over which the State has no control, and if such failure is not due to action or failure to act by the legislative or executive authorities of that State, the provisions of this paragraph shall not apply.

(C) The funds allotted to any State from the funds appropriated under section 102 (A) of this title shall be paid by the State educational authority only to those local school jurisdictions that from State and local funds (which shall not be interpreted to include funds made available under this title) pay average annual salaries to their teachers not less than the average annual salaries paid as

of February 1, 1945, or the nearest prior date when school was in session: *Provided*, That for any local school jurisdiction that fails to comply with the provisions specified in this paragraph due to acts of God, or other circumstances over which such local school jurisdiction has no control, and if such failure is not due to actions of State or local tax assessing, levying, or appropriating bodies or officials, the State may provide the funds necessary to overcome such failure from funds received under section 102 (B) of this title. The State educational authority shall not make payment to any local school jurisdiction that fails to comply with the requirements of this paragraph until after investigation he has determined that there are extenuating circumstances as set forth above.

## AUDITING

SEC. 107. The Commissioner shall cause an audit to be made of the expenditure of funds under this title by each State educational authority. If the Commissioner, after notice and hearing, finds that any portion of such funds is expended by any State in a manner contrary to the provisions of this title, or shall otherwise be lost or unlawfully used, an equal amount shall, after reasonable notice, be withheld from the next ensuing payment to any such State unless such amount is replaced by such State and expended for the purposes originally intended: *Provided*, That the State educational authority shall have the right of appeal, within 30 days, from the decision of the Commissioner to withhold funds to a United States district court and such court shall have jurisdiction as to both fact and law.

SEC. 108. In auditing the expenditure of funds allotted under this title to the Virgin Islands, American Samoa, and Guam, as provided in this title, the Commissioners authorized to utilize the services of employees of any Federal department or agency by agreement with the head of such department or agency.

## PENALTIES

SEC. 109. The Secretary of the Treasury shall suspend payments under this title to any State whenever the Commissioner, after notice and hearing, certifies that any such State has failed to replace funds received under this title which are lost, or unlawfully used, or expended in a manner contrary to the provisions of this title or has failed to make required reports with reasonable promptness: *Provided*, That after the Commissioner has so certified to the Secretary of the Treasury the State educational authority shall have the right to appeal, within 30 days, from such certification to a United States district court and such court shall have jurisdiction as to both fact and law. Upon certification of the Commissioner that any such State has rectified such failure, the Secretary of the Treasury shall transmit to such State the amounts so suspended. The sums authorized to be allotted to any State under this title shall, when certified for payment, remain available for not to exceed one fiscal year after the fiscal year for which such certification was made.

## AUTHORIZATION FOR ADMINISTRATION AND RESEARCH

SEC. 110. For services and other expenses necessary to the administration of this title, and for the making of necessary surveys and other studies in connection with the best utilization of the grants to States authorized in this title, there is hereby authorized to be appropriated for each fiscal year an amount not to exceed one-half of 1 percent of the total amount authorized to be appropriated for each fiscal year under the provisions of section 102 of this title. Any of the funds appropriated under the authorization of this section may be allocated by the Commissioner to State departments of education for sur-

veys or other studies pertinent to the best uses of the funds received under this title. Such allocations shall be made by joint agreement between the Commissioner and the chief State educational authority. The amounts thus allocated shall be certified to the Secretary of the Treasury by the Commissioner, and shall thereupon be paid to the cooperating State department of education. Suitable provision for audits, reports, and repayment to the United States of amounts unexpended, lost, or misapplied shall be incorporated into the joint agreement.

## REPORTING

SEC. 111. The Commissioner shall publish annually a full and complete report showing the status of education in the United States. Each such report shall include an analysis and summary of the legislative and administrative provisions adopted by each State for the expenditure of funds received through this title, and also statistical information showing the accomplishments of the respective States through the expenditure of funds received under this title. In all such reports relating to the status of education in States where separate educational facilities are maintained by law for any minority racial group, data relating to such separate educational facilities shall be separately reported. The Commissioner shall also make an annual report in writing to the Congress, giving an account of all money received and allocated by him under this title.

## MISCELLANEOUS

SEC. 112. The Commissioner is authorized to make such rules and regulations in conformity to the provisions of this title as may be necessary to facilitate its administration.

## DEFINITIONS

SEC. 113. As used in this title—

(a) The term "State" shall include the several States, the District of Columbia, Alaska, and Hawaii, Puerto Rico, American Samoa, the Virgin Islands, and Guam.

(b) The term "legislature" means the State or Territorial legislature or other comparable body, except that in the District of Columbia it shall mean the Board of Education, and in American Samoa and the Virgin Islands it shall mean the Governor.

(c) The term "minority race" or "minority racial group" shall mean any race or racial group that constitutes a minority of the population of the continental United States.

(d) A just and equitable apportionment, allotment, or distribution of the funds provided under this title for the benefit of a minority racial group in a State which maintains by law separate educational facilities for such minority racial group, means any plan of apportionment, allotment, or distribution which results in the expenditure, for the benefit of such minority racial group, of a proportion of said funds not less than the proportion that each such minority racial group in such State bears to the total population of that State.

(e) The term "State educational authority" means, as the State legislature may determine, (1) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (2) a board of education controlling the State department of education; except that in the District of Columbia it shall mean the Board of Education, and in American Samoa, Guam, and the Virgin Islands, it shall mean the Governor.

## SEPARABILITY

SEC. 114. If any provision of this title or application thereof to any State, person, or circumstance is held invalid, the remainder of the title, and the application of such provisions to other States, persons, or circumstances shall not be affected thereby.

The **PRESIDING OFFICER**. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. LANGER].

The amendment was rejected.

The **PRESIDING OFFICER**. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

The **PRESIDING OFFICER**. The question is on the passage of the joint resolution.

Mr. BARKLEY. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MORSE (when his name was called). I announce that I have a pair with my senior colleague [Mr. CORDON], who is away from the city on official business of the Committee on Commerce of the Senate. He asked me to announce that if he had not been able to arrange this pair it would have been necessary for him to cancel his trip on official Senate business. If he were present he would vote "nay." If I were at liberty to vote I would vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Montana [Mr. MURRAY] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

I wish to announce further that on this question the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from North Carolina [Mr. BAILEY]. If present and voting, the Senator from New Mexico [Mr. CHAVEZ] would vote "yea," and the Senator from North Carolina [Mr. BAILEY] would vote "nay."

I also wish to announce that on this question the Senator from Texas [Mr. CONNALLY] is paired with the Senator from Mississippi [Mr. BILBO]. If present and voting, the Senator from Texas [Mr. CONNALLY] would vote "yea," and the Senator from Mississippi [Mr. BILBO] would vote "nay."

I also announce that if present and voting, the Senator from Florida [Mr. ANDREWS], the Senator from Missouri [Mr. BRIGGS], and the Senator from West Virginia [Mr. KILGORE] would vote "yea."

Mr. WHERRY. I announce the following pair on this question: The Senator from Michigan [Mr. VANDENBERG], who would vote "yea" with the Senator

from Indiana [Mr. CAPEHART] who would vote "nay." The Senator from Michigan is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. The Senator from Indiana is absent by leave of the Senate.

The result was announced—yeas 46, nays 34, as follows:

## YEAS—46

Aiken	Gurney	O'Mahoney
Austin	Hart	Pepper
Ball	Hatch	Radcliffe
Bankhead	Hayden	Reed
Barkley	Hickenlooper	Saltonstall
Bridges	Hill	Smith
Buck	Hoey	Stanfill
Donnell	Lucas	Taylor
Downey	McKellar	Thomas, Utah
Eastland	McMahon	Tobey
Ferguson	Magnuson	Tunnell
Fulbright	Maybank	Wagner
George	Mead	White
Gerry	Mitchell	Wiley
Green	Murdoch	
Guffey	Myers	

## NAYS—34

Brewster	La Follette	Stewart
Brooks	Langer	Taft
Bushfield	McCarran	Thomas, Okla.
Butler	McClellan	Tydings
Byrd	McFarland	Walsh
Capper	Millikin	Wheeler
Ellender	Moore	Wherry
Hawkes	O'Daniel	Willis
Huffman	Revercomb	Wilson
Johnson, Colo.	Robertson	Young
Johnston, S. C.	Russell	
Knowland	Shipstead	

## NOT VOTING—16

Andrews	Chavez	Morse
Bailey	Connally	Murray
Bilbo	Cordon	Overton
Briggs	Glass	Vandenberg
Capehart	Gossett	
Carville	Kilgore	

So the joint resolution (S. J. Res. 138) was passed.

The preamble was agreed to.

## MEDIATION OF LABOR DISPUTES

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1196, House bill 4908, to provide additional facilities for the mediation of labor disputes, and for other purposes.

The **PRESIDING OFFICER**. The bill will be stated by title for the information of the Senate.

The **CHIEF CLERK**. A bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. MAGNUSON. Mr. President, is the Senator making a unanimous-consent request?

Mr. BARKLEY. No; I am moving that the Senate proceed to the consideration of the bill.

The **PRESIDING OFFICER**. The question is on agreeing to the motion of the Senator from Kentucky [Mr. BARKLEY] that the Senate proceed to the consideration of House bill 4908. [Putting the question.] The "ayes" have it, and the motion is agreed to.

Mr. MAGNUSON. Mr. President, I ask for the yeas and nays.

Mr. TAFT. Mr. President, a point of order.

The **PRESIDING OFFICER**. The Senator will state it.

Mr. TAFT. The result of the vote has already been announced.

The **PRESIDING OFFICER**. The result of the vote has already been announced.

Mr. MAGNUSON. Mr. President, I was on my feet seeking recognition. I asked the Senator from Kentucky whether he was making a unanimous-consent request or a motion.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the vote by which the motion was agreed to be reconsidered, and that the yeas and nays be called on this question.

The **PRESIDING OFFICER**. Without objection, it is so ordered. The clerk will call the roll.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The **PRESIDING OFFICER**. The Senator will state it.

Mr. WHERRY. What are we voting on?

The **PRESIDING OFFICER**. The question is on agreeing to the motion of the Senator from Kentucky [Mr. BARKLEY] that the Senate proceed to the consideration of House bill 4908, a bill to provide additional facilities for the mediation of labor disputes, and for other purposes. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Arizona [Mr. MCFARLAND], the Senator from Utah [Mr. MURDOCK], and the Senator from Maryland [Mr. RADCLIFFE] are necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Montana [Mr. MURRAY] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate.

The result was announced—yeas 66, nays 9, as follows:

## YEAS—66

Austin	Byrd	Gerry
Ball	Capper	Gurney
Bankhead	Donnell	Hart
Barkley	Downey	Hatch
Brewster	Eastland	Hawkes
Bridges	Ellender	Hayden
Brooks	Ferguson	Hickenlooper
Bushfield	Fulbright	Hill
Butler	George	Hoey



Huffman	Morse	Taft
Johnson, Colo.	Myers	Thomas, Okla.
Johnston, S. C.	O'Daniel	Thomas, Utah
Knowland	O'Mahoney	Tobey
La Follette	Reed	Tydings
Langer	Revercomb	Walsh
Lucas	Robertson	Wheeler
McClellan	Russell	Wherry
McKellar	Saltmstall	White
McMahon	Shipstead	Wiley
Maybank	Smith	Willis
Millikin	Stanfill	Wilson
Moore	Stewart	Young

## NAYS—9

Alken	Mead	Taylor
McCarran	Mitchell	Tunnell
Magnuson	Pepper	Wagner

## NOT VOTING—21

Andrews	Chavez	Kilgore
Bailey	Connally	McFarland
Bilbo	Cordon	Murdock
Briggs	Glass	Murray
Buck	Gossett	Overton
Capheart	Green	Radcliffe
Carville	Guffey	Vandenberg

So Mr. BARKLEY's motion was agreed to, and the Senate proceeded to consider the bill (H. R. 4908), to provide additional facilities for the mediation of labor disputes, and for other purposes, which had been reported from the Committee on Education and Labor with an amendment, to strike out all after the enacting clause, and insert:

That the Congress hereby declares that the objectives of this act are to encourage settlement of disputes between labor and management by collective bargaining and by conciliation, mediation, and voluntary arbitration, thereby minimizing industrial strife, strikes, and lock-outs.

## DEFINITIONS

Sec. 2. (a) When used in this act—

(1) The term "commerce" means trade, traffic, commerce, transportation, or communication among the several States, or between the District of Columbia or any Territory of the United States and any State or other Territory, or between any foreign country and any State, Territory, or the District of Columbia, or within the District of Columbia or any Territory or between points in the same State but through any other State or any Territory or the District of Columbia or any foreign country.

(2) The term "industry affecting commerce" means any industry or activity in commerce or in which a labor dispute would burden or obstruct commerce or tend to burden or obstruct commerce or the free flow of commerce.

(3) The term "labor dispute" includes any disagreement, or any dispute, concerning terms, tenure, or conditions of employment, regardless of whether the contestants or disputants stand in the proximate relation of employer and employee.

(4) The term "employer" includes any person acting in the interest of an employer, directly or indirectly, but shall not include the United States, or any State or political subdivision thereof, or any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such labor organization.

(5) The term "employee" shall include any employee, and shall not be limited to the employees of a particular employer, and shall include any individual whose work has ceased as a consequence of, or in connection with, any current labor dispute or because of any unfair labor practice, and who has not obtained any other regular and substantially equivalent employment, but shall not include any individual employed as an agricultural laborer, or in the domestic service of any family or person at his home, or any individual employed by his parent or spouse.

(6) The term "representative" includes any individual or labor organization.

(7) The term "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers, concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

(b) The provisions of this act shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended.

## PUBLIC POLICY

Sec. 3. It is the policy of the United States that—

(a) Sound and stable industrial peace and the advancement of the general welfare, health, and safety of the Nation and of the best interests of employers and employees can best be secured by the settlement of issues between employers and employees through the processes of conference and collective bargaining between employers and the representatives of their employees; and

(b) The settlement of issues between employers and employees through collective bargaining may be advanced by making available full and adequate Government facilities for voluntary conciliation, mediation, and voluntary arbitration to aid and encourage employers and the representatives of their employees—

(1) to reach and maintain agreements concerning rates of pay, hours, and working conditions, including provision for adequate notice of any proposed change in the terms of such agreements and provisions for the final adjustment of grievances or questions regarding the application or interpretation of such agreements; and

(2) to make all reasonable efforts to settle all differences by mutual agreement reached through conference and collective bargaining or by such methods as may be provided for in any applicable agreement for the settlement of the dispute.

## FEDERAL MEDIATION BOARD

Sec. 4. (a) There is hereby created in the Department of Labor a board to be known as the "Federal Mediation Board" (hereinafter called the "Board"). The Board shall be composed of five members who shall be appointed by the President by and with the advice and consent of the Senate. One of the original members of the Board shall be appointed for a term of 1 year, one for a term of 2 years, one for a term of 3 years, one for a term of 4 years, and one for a term of 5 years. Their successors shall be appointed for terms of 5 years, except that any person chosen to fill a vacancy occurring prior to the expiration of any member's term shall be appointed only for the unexpired term of his predecessor. The President shall designate a member of the Board to act as chairman. Any member of the Board may be removed by the President for neglect of duty, inefficiency, or malfeasance in office, but for no other cause.

(b) A vacancy in the Board shall not impair the authority of the remaining members to exercise all the functions of the Board, and three members shall at all times constitute a quorum for the transaction of business. The Board shall have an official seal, which shall be judicially noticed.

(c) The Board may from time to time adopt, amend, and rescind such regulations and rules as may be necessary for the administration of its functions.

(d) Each member of the Board shall receive a salary at the rate of \$12,000 a year, together with necessary traveling and subsistence expenses, or per diem allowance in lieu thereof, subject to the provisions of law applicable thereto, while away from the prin-

cipal office of the Board on official business. Members of the Board shall be eligible for reappointment, and shall not engage in any other business, vocation, or employment.

(e) The Board shall make an annual report in writing to the Congress.

(f) The Board may appoint and fix the compensation of such officers and employees and make such expenditures for supplies, facilities, and services as may be necessary to carry out its functions. Without regard to the provisions of the civil-service laws and the Classification Act of 1923, as amended, the Board may appoint and fix the compensation of an executive director and such conciliators and mediators as may be necessary to carry out its functions. The Board may, subject to the civil-service laws, appoint such clerical and other personnel as may be necessary for the execution of its functions, and shall fix their compensation in accordance with the Classification Act of 1923, as amended. No officer or employee of the Board shall be competent to act as an arbitrator in any labor dispute. All expenditures of the Board shall be allowed and paid on presentation of itemized vouchers therefor approved by the Chairman or by any employee designated by the Board for that purpose.

(g) The principal office of the Board shall be in the District of Columbia, but the Board may establish regional offices convenient to localities in which labor controversies are likely to arise. The Board may by order, subject to revocation at any time, delegate any authority and discretion conferred upon it by this act to any member, regional director, or other officer or employee of the Board. The Board may establish suitable procedures for cooperation with State and local mediation agencies.

(h) All mediation and conciliation functions of the Secretary of Labor or the United States Conciliation Service under section 8 of the act entitled "An act to create a Department of Labor," approved March 4, 1913 (U. S. C., title 29, sec. 51), and all functions of the United States Conciliation Service under any other law are hereby transferred to the Board, together with the personnel, records, property, and unobligated balances of appropriations, allocations, or other funds of the United States Conciliation Service. Such transfer shall take effect upon the sixtieth day after the date of enactment of this act. Such transfer shall not affect any proceedings pending before the United States Conciliation Service or any certification, order, rule, or regulation theretofore made by it or the Secretary of Labor.

## FUNCTIONS OF MEDIATION BOARD

Sec. 5. (a) It shall be the duty of the Board, in order to prevent or minimize interruptions of the free flow of commerce growing out of labor disputes—

(1) to encourage employers and employees in industries affecting commerce to make and maintain agreements concerning wages, hours, and conditions of employment; and to encourage such employers and employees to settle their differences by conferences between representatives of the parties and by other peaceful means without resort to strikes, lock-outs, or any form of violence; and

(2) to assist parties to labor disputes in industries affecting commerce to settle such disputes through conciliation and mediation.

(b) The Board may, in its discretion, proffer its services in any labor dispute in any industry affecting commerce, either upon its own motion or upon the request of one or more of the parties to the dispute. Whenever the Board does proffer its services in any such dispute, it shall be the duty of the Board promptly to put itself in communication with the parties and to use its best efforts, by mediation and conciliation, to bring them to agreement.

(c) If the Board is not able to bring the parties to agreement by mediation or conciliation within a reasonable time, it shall seek to induce the parties voluntarily to submit the controversy to arbitration: *Provided*, That the failure or refusal of either party to agree to arbitration shall not be deemed to be a violation of any duty or obligation imposed by this act. Upon the request of the parties to the dispute the Board shall cooperate with the parties in formulating an agreement for the arbitration of the dispute, in selecting an arbitrator or arbitrators, and in making such other arrangements and in taking such other action as many be necessary to provide for the arbitration of the dispute. When any labor dispute in an industry affecting commerce is submitted to arbitration pursuant to the suggestion of the Board under this subsection, the Board, upon the request of the parties to the arbitration proceeding, shall pay so much of the compensation of the arbitrator or arbitrators and of the cost of reporting and preparing the transcript of the proceedings as does not exceed \$500 in the aggregate in any one case. Any member of the Board and any officer or employee of the Board designated by the Board, is authorized to take acknowledgments of agreements to arbitrate. If arbitration at the request of the Board is refused by one or both parties, the Board shall at once notify the Secretary of Labor and both parties to the controversy, in writing, that its efforts at mediation and conciliation have failed.

(d) Final adjustment by a method agreed upon by the parties is hereby declared to be the desirable method for settlement of grievance disputes arising over the application or interpretation of an existing collective-bargaining agreement. The Board's conciliation and mediation services should be utilized only as a last resort and in exceptional cases in the settlement of grievance disputes. Accordingly, whenever the Board, in its discretion, proffers its services in such a grievance dispute, the Board shall emphasize to the parties involved their obligation under this act to provide in their agreements for the final adjustment of such grievance disputes, and shall, before attempting other methods of settlement, endeavor to induce the parties to agree to submit such dispute to an umpire or adjustment board empowered to make a decision final and binding upon both parties.

(e) The Board is authorized to furnish to employers, employees, and other public and private agencies, information concerning the practicability and desirability of establishing suitable agencies and methods to aid in the settlement of labor disputes by mediation, conciliation, arbitration, and other peaceful means, whether or not such disputes are in industries affecting commerce; and the Board is further authorized, upon request, to furnish assistance in establishing and administering such agencies and methods and in the conciliation and mediation and arbitration of such disputes.

#### INTERFERENCE WITH TRANSPORTATION OF PERISHABLE FARM PRODUCTS

SEC. 6. Whoever by violence or threat of violence, or by any other form of intimidation or coercion, obstructs, impedes, or affects commerce by preventing or seeking to prevent the transportation or delivery of perishable farm products, by a farmer or his employees, to market or to processing plants, or to a carrier for transportation or delivery to market or to processing plants, or by extorting or attempting to extort any payment to a labor organization or any other form of tribute from a farmer or his employees in connection with such transportation or delivery, shall be guilty of a misdemeanor and shall, upon conviction thereof, be punished by a fine of not more than \$2,000 or by imprisonment for not more than 1 year, or both.

#### MISCELLANEOUS PROVISIONS

SEC. 7. (a) For the guidance and information of interested representatives of employers, employees, and the general public, the Bureau of Labor Statistics of the Department of Labor shall maintain a file of copies of (1) all available agreements reached as a result of mediation, conciliation, and arbitration of labor disputes; (2) all available arbitration agreements and awards in labor disputes; and (3) any other available collective labor agreements between employers and employees. Such file shall be open to inspection under appropriate conditions prescribed by the Secretary of Labor.

(b) The Bureau of Labor Statistics in the Department of Labor shall be authorized and equipped to furnish upon request of the Federal Mediation Board, or employers, employees, or their representatives, all available data and factual information which may aid in the settlement of any labor dispute.

(c) The office of the solicitor in the Department of Labor shall, upon request, furnish legal assistance to the Federal Mediation Board.

SEC. 8. Nothing in this act shall be construed to diminish or interfere with the exercise of the rights of employees or labor organizations under the National Labor Relations Act, as amended, or to impair the functions of the National Labor Relations Board established pursuant to such act, or to amend or modify the act entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes," approved March 23, 1932 (the Norris-LaGuardia Act).

SEC. 9. Such sums as may be necessary for carrying out the provisions of this act are hereby authorized to be appropriated.

SEC. 10. This act may be cited as the "Federal Mediation Act of 1946."

MR. BARKLEY. Mr. President, I wish to state to the Senate for its information that it is not desired at this hour today to proceed to the discussion and disposition of any matter connected with the bill just made the unfinished business. In view of the fact that the Senate has been rather hard at work this week, in view of the fact that tomorrow is Saturday, and also in view of the fact that there is a majority report and also a statement of the minority views, and in view of the further fact that the tenseness of the situation has been somewhat relieved by the announcement made today regarding the resumption of the mining of coal for a period of 12 days, it is thought that the consideration of this proposed legislation might well go over until Monday.

Therefore, I wish to inform Senators that when we have concluded the deliberations for today, I shall move that the Senate take a recess until 12 o'clock noon on Monday next.

MR. MORSE. Mr. President, I should like to make a brief comment on the suggestion made by the majority leader. Briefly, Mr. President, my comment is as follows: I think it unfortunate and unwarranted that the Senate take a recess as of the time suggested—at that time it was 25 minutes to 4—or at such time as the Senate does take a recess this afternoon—Friday afternoon—and remain in recess until Monday, in view of the great issues which face the United States today and still are unsolved by the Senate of the United States.

Comment was made by the majority leader or by some other Senator that

there is now a recess in the coal strike. The labor problems of this country are still vital, Mr. President. I think the Senate should stay in session during its regular hours today, certainly until 6 o'clock, and should meet tomorrow, preferably at 10 o'clock, and proceed with discussion of the labor legislation pending before it. I think that nothing could be more in the service of the American people than an attempt to enlighten them by the debate which, I think, will take place on the floor of the Senate in the days ahead on the various pieces of proposed labor legislation.

I do not share the views of those who came to me today and suggested that I vote against having the Senate take up the now pending labor legislation. It will be noted that I voted to have the Senate take it up, because I think the time has come to settle once and for all, as far as this session of Congress is concerned, the matter of how the Members of the Congress are going to stand when a vote is called for on the various issues involved in the labor measure which is the unfinished business.

For my part, it will be discovered as this debate progresses that I shall vote for the measure which has been reported by the Committee on Education and Labor, and I shall vote against most of the amendments which will be offered, which constitute, for the most part, the provisions of the Case bill which was rejected by a majority of the members of the Committee on Education and Labor.

I shall vote against it, because, as the majority leader himself pointed out the other day, in some way, somehow, we must make the American people aware of the fact that the social and economic problems involved in labor issues cannot be solved by passing strait-jacket restrictive legislation. Instead of solving them, such legislation would create them. However, as a Member of this body, I do not propose to ignore the fact that the American people are demanding, and have a right to demand, that we take a stand one way or the other with regard to the various pieces of legislation pending before the Congress bearing on the subject of labor. If the time has arrived when a majority of this body and a majority of the House of Representatives can be panicked into passing unwise labor legislation, I think that under our democratic form of government such actions should manifest themselves in recorded votes. Then the people of the country will be able to decide for themselves, after they have had some experience with the type of legislation which has been enacted, whether those among us who were pleading not to follow such course of action were right or wrong, and then render their verdicts in regard to us when they have their next opportunity at the polls.

Merely because a truce has been declared in the great labor strike now facing the country, I think it is most unfortunate for us to relax and take the position that we can wait for some time until we are again faced with a similar crisis. If there was ever a time when we should remain in a long session and fight this battle out in the Senate, the



time is now. I think that if we take an early recess this afternoon, it will be misinterpreted by the American people.

Yesterday a prolonged discussion took place with reference to the legislative program which would be followed in the next few days. Possibly I was mistaken, but I thought the general understanding among my colleagues was that we would go ahead and dispose of the British loan measure, and that thereafter we would take up the labor bill and continue its consideration over the week end and into next week until we disposed of it. However, it is not only labor legislation, important as it is, which is facing the Congress, but the Senate Calendar is filled with other important legislation as well.

Mr. President, I believe it to be very important for the Senate to proceed from now until the adjournment date of this session of Congress, and remain in session for long hours, holding evening sessions, if necessary, so that we can dispose of our business as early in July as possible. To do so will afford an opportunity for Members of the Congress to return to their people and ascertain whether I am right or wrong in making the observation that the Congress of the United States is very much out of step with the thinking, the purposes, and desires of the American people at the present time.

I close by merely saying that I want the RECORD to show my protest against the proposed recess, and that, so far as my personal preference in the matter is concerned, I hope the Senator from Kentucky will make his proposal for a recess in the form of a motion, and that on the motion we may have a yea-and-nay vote.

Mr. BYRD. Mr. President, I submit the amendment to House bill 4908, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 28, it is proposed to strike out section 8, and in lieu thereof to insert the following:

Sec. 8. (a) It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

(b) It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to demand, receive, or accept, or to agree to receive or accept, from the employer of such employees any money or other thing of value.

(c) The provisions of this section shall not be applicable (1) with respect to any money or other thing of value payable by an employer to any representative who is an employee or former employee of such employer, as compensation for, or by reason of, his services as an employee of such employer, or (2) with respect to any amounts deducted from the compensation of any employee and paid to a labor organization by an employer in payment of dues or other similar fees payable by such employee to such labor organization.

(d) Any person who willfully violates any of the provisions of this section shall upon conviction thereof be subject to a fine of not more than \$10,000 or to imprisonment for not more than 6 months, or both.

(e) The district courts of the United States and the United States courts of the

Territories and possessions shall have jurisdiction, for cause shown, and subject to the provisions of section 17 (relating to notice to opposite party) of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended (U. S. C., title 28, sec. 381), to restrain violations of this section, notwithstanding the provisions of sections 6 and 20 of such act of October 15, 1914, as amended (U. S. C., title 15, sec. 17, and title 29, sec. 52), and the provisions of the act entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes," approved March 23, 1932 (U. S. C., title 29, secs. 101-115).

(f) As used in this section—

(1) Goods means goods, wares, products, commodities, merchandise, or articles or subjects of commerce of any character, or any part or ingredient thereof.

(2) Produced means produced, manufactured, mined, handled, or in any other manner worked on in any State; and for the purposes of this section an employee shall be deemed to have been engaged in the production of goods if such employee was employed in producing, manufacturing, mining, handling, transporting, or in any other manner working on such goods, or in any process or occupation necessary to the production thereof, in any State.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Virginia.

#### JOINT COMMITTEE TO INVESTIGATE WORKING CONDITIONS IN THE ANTHRACITE- AND BITUMINOUS-COAL INDUSTRIES

Mr. McMAHON. Mr. President, out of order, I ask unanimous consent to submit a concurrent resolution providing for the appointment of a joint committee to be composed of seven Members of the Senate and seven Members of the House of Representatives to "make a full and complete study and investigation with respect to working conditions in the anthracite- and bituminous-coal-mining industries which relate to the health and safety of persons employed in such industries, with particular emphasis upon such matters as accident and fatality statistics, practices and procedures followed by miners and mine operators in the interest of safe working conditions, medical care and hospitalization made available to miners injured in the performance of their work, the conditions under which miners live, the adequacy of compensation payable to miners injured in the performance of their work, and the extent to which insurance against death or accident is available to miners; and (2) report to the Senate and the House of Representatives at the earliest practicable date, but not later than 30 days after the adoption of this resolution, the results of its study and investigation together with such recommendations as to necessary legislation as it may deem desirable."

Mr. President, I ask for immediate consideration of the resolution.

Mr. BARKLEY. Mr. President, I am sorry the Senator from Connecticut has made that request, because I shall be compelled to object to the request for present consideration of the resolution. In view of the fact that the Senate has

taken up for consideration the bill reported by the Committee on Education and Labor, I think that a resolution of the kind submitted by the Senator from Connecticut should not be acted upon without first receiving some study and consideration. So I hope the Senator from Connecticut will not insist upon his request.

Mr. McMAHON. Mr. President, in view of the objection which has been made by the majority leader and in view of the fact that the Senate will take a recess until Monday, I shall not press for immediate consideration of the resolution. I should like to have it referred to the Interstate Commerce Committee, where I assume it could be considered perhaps early in the coming week, if the chairman of the committee would agree to do so.

Mr. BARKLEY. Mr. President, in view of the fact that the Committee on Education and Labor has jurisdiction over labor legislation and has reported the bill which is now before the Senate, I think the resolution should go to the committee to which it normally would go by way of reference by the Chair. I have always objected to having Senators who introduce bills or submit resolutions decide to which committees they should be referred. I think the concurrent resolution should take the regular course. If that is to the Committee on Interstate Commerce, very well. But I do not think it should be referred to a particular committee merely on the request of the author.

Mr. McMAHON. Mr. President, I do not press my suggestion.

There being no objection, the concurrent resolution (S. Con. Res. 62) submitted by Mr. McMAHON was received and referred to the Committee on Interstate Commerce, as follows:

*Resolved by the Senate (the House of Representatives concurring).* That there is hereby established a joint committee to be composed of seven Members of the Senate (not more than four of whom shall be members of the same political party) to be appointed by the President pro tempore of the Senate, and seven Members of the House of Representatives (not more than four of whom shall be members of the same political party) to be appointed by the Speaker of the House of Representatives. Vacancies in the membership of the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as in the case of the original selection. The committee shall select a chairman and a vice chairman from among its members.

SEC. 2. The committee shall (1) make a full and complete study and investigation with respect to working conditions in the anthracite and bituminous coal-mining industries which relate to the health and safety of persons employed in such industries with particular emphasis upon such matters as accident and fatality statistics, practices and procedures followed by miners and mine operators in the interest of safe working conditions, medical care and hospitalization made available to miners injured in the performance of their work, the conditions under which miners live, the adequacy of compensation payable to miners injured in the performance of their work, and the extent to which insurance against death or accident is available to miners; and (2) report to the

Senate and the House of Representatives at the earliest practicable date, but not later than 30 days after the adoption of this resolution, the results of its study and investigation together with such recommendations as to necessary legislation as it may deem desirable.

Sec. 3. (a) The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress occurring within 30 days after the date of adoption of this resolution, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words.

(b) The committee is empowered to appoint and fix the compensation of such experts, consultants, and clerical and stenographic assistants as it deems necessary and advisable, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1923, as amended, for comparable duties.

(c) The expenses of the committee, which shall not exceed \$25,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers signed by the chairman.

Mr. McMAHON. Mr. President, I should like to make a concluding remark, if the Senator from Kentucky will permit.

Mr. BARKLEY. Yes; I am glad to yield.

Mr. McMAHON. I wish to say that the resolution was drafted by me before I had the news of the cessation of the strike, at least temporarily. The idea behind it is to find out the truth—and only the truth—as to the conditions in the mines of this country. All of us must realize, whether we like the idea or not, that conditions in the mines constitute a national problem. The resolution is submitted without any relationship to recent hostilities and recent strikes, and is not in any sense submitted in approval of what has taken place in the last week or 10 days, but is submitted merely in an effort to provide for the Congress information concerning the conditions which exist in the mines in the United States, so that the Congress may determine whether such conditions should be alleviated or cured.

#### SPECIAL COMMITTEE ON REORGANIZATION OF CONGRESS

Mr. BARKLEY. Mr. President, several Senators, including the Senator from Virginia [Mr. BYRD] and the Senator from Tennessee [Mr. McKELLAR], have one or two matters which they wish to bring up for consideration. The matters they wish to present will not involve any lengthy discussion or controversy, I am informed. I hope Senators will be willing to consider them.

I yield now to the Senator from Virginia.

Mr. BYRD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate Resolution 260, Calendar 1325. The resolution, which is

known as the La Follette resolution, creates a special committee to consider certain matters relating to the reorganization of the legislative branch of the Government.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Virginia?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 260) submitted on April 15, 1946, by Mr. LA FOLLETTE (for himself, Mr. THOMAS of Utah, Mr. PEPPER, Mr. RUSSELL, Mr. WHITE, and Mr. BROOKS) and reported from the Committee on Rules with an amendment to strike out:

*Resolved*, That a special committee to be composed of the six Senators who are members of the Joint Committee on the Organization of the Congress is hereby established, with authority to sit and act during the session, recesses, and adjourned periods of the Seventy-ninth Congress, for the purpose of receiving and considering all bills, resolutions, and amendments relating to the reorganization of the legislative branch of the Government. All bills, resolutions, and amendments relating to the reorganization of the legislative branch of the Government shall be referred to the committee for its consideration and such committee is hereby authorized to report to the Senate with respect to any matter referred to it, together with such recommendations as it may deem advisable; except that no matter shall be referred to the committee which has the effect of repealing, amending, or changing the rules, practices, or precedents of the Senate relating to cloture or relating to the germaneness of amendments, and the committee shall make no report or recommendation with respect to any such matter. Any vacancy occurring in the membership of the committee shall be filled by appointment by the President of the Senate.

#### And insert:

That a special committee to be composed of the six Senators who are members of the Joint Committee on the Organization of the Congress is hereby established, with authority to sit and act during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress (and such committee shall cease to exist with the expiration of such Congress), for the purpose of receiving and considering a bill, when introduced, and germane amendments relating thereto, having for its purpose the carrying out of the recommendations contained in the report of the Joint Committee on the Organization of the Congress, Report No. 1011 of March 4, 1946. Such bill, when introduced, and amendments shall be referred to the committee for its consideration and such committee is hereby authorized to report to the Senate with respect to any such matter referred to it, together with such recommendations as it may deem advisable. Nothing in this resolution shall be construed to authorize the committee to report any bill or amendment containing any provision which has the effect of changing the rules, parliamentary procedure, practices, or precedents of either House, or which has the effect of changing in any manner the consideration of any matter on the floor of either House, unless such provision is to carry out a recommendation contained in such report of March 4, 1946. Any vacancy occurring in the membership of the committee shall be filled by appointment by the President of the Senate.

Mr. BYRD. Mr. President, this resolution, as I have said, is known as the La Follette resolution. It provides for the establishment of a special commit-

tee to consider the reorganization of the legislative branch of the Government in accordance with the report which recently was made by the Joint Committee on the Reorganization of Congress.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BARKLEY. I understand that the effect of the resolution is to make the Senate members of that Joint Committee a Senate committee for that special purpose.

Mr. BYRD. That is correct; and the appointment is limited to the present session of Congress. The authority will expire with the end of the present session.

Mr. REVERCOMB. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. REVERCOMB. Probably my inquiry can be answered by the Senator from Virginia. I understand that the resolution now brought up for consideration provides for the extension of a presently existing committee. I ask the Senator to state the purpose. It is not clear to me.

Mr. BYRD. The resolution, if adopted, would constitute the Senate membership of the Joint Committee on the Reorganization of Congress a special committee to consider the report which was made by the joint committee on the reorganization of the legislative branch of the Government.

Mr. REVERCOMB. The resolution provides for the appointment of a committee; does it?

Mr. BYRD. It provides for the establishment of a special committee. It is the unanimous recommendation of the Rules Committee that a special committee be created to consider the reorganization of procedure in the Senate and in the House of Representatives.

Mr. O'MAHONEY. Mr. President, I should like to determine what the resolution provides. Do I correctly understand the Senator from Virginia to say that it merely provides for the appointment of a committee, and that it does not commit the Senate to action of any kind?

Mr. BYRD. That is correct. It merely provides for the creation of a committee to report proposed legislation.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The resolution, as amended, was agreed to.

#### ADDITIONAL COMPENSATION FOR POSTMASTERS AND EMPLOYEES OF THE POSTAL SERVICE

Mr. McKELLAR. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 5059, an act to provide additional compensation for postmasters and employees of the postal service.

The Senator from Kentucky [Mr. BARKLEY] will explain the matter for me, because I am hoarse today.



Mr. BARKLEY. Mr. President, the Senator from Tennessee [Mr. McKellar], chairman of the Committee on Post Offices and Post Roads, has requested unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 5059, Calendar No. 1259, an act to provide additional compensation for postmasters and employees of the postal service.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. WHERRY. Mr. President, reserving the right to object, let me say that some of us on this side of the Chamber could not hear the announcement which was made.

Mr. BARKLEY. Unanimous consent has been requested that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 5059, Calendar 1259, a bill reported from the Committee on Post Offices and Post Roads. The bill provides additional compensation for postmasters and employees of the postal service.

Mr. President, I wish to speak briefly on House bill 5059, which would increase the compensation of postmasters. The report of the committee was unanimous, and I speak on behalf of the chairman of the committee, the Senator from Tennessee [Mr. McKellar], who is suffering from a severe cold.

The bill proposes to grant an increase of \$400 per annum in the salaries of all postmasters, officers, and employees in the postal service whose rates of compensation are prescribed by the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945. They shall receive additional compensation at the rate of \$400 per annum, provided that employees paid on an hourly or part-time basis shall receive additional compensation at the rate of 20 cents an hour, and providing further, that postmasters at post offices of the fourth class shall receive additional compensation at the rate of a sum per annum equal to 20 percent of their basic annual compensation.

As I have already said, the report is a unanimous report, and I hope that the Senate will pass the bill.

Mr. REVERCOMB. Mr. President, I merely wish to say that the bill is entirely satisfactory to me, and I hope it will be passed.

Mr. MEAD. Mr. President, I wish to commend the Senator from Tennessee [Mr. McKellar], the chairman of the Committee on Post Offices and Post Roads, for the way in which he has handled this very important piece of legislation, and add my hope to that which has already been expressed by the majority leader, namely, that the Senate will act favorably on the bill.

Mr. WHERRY. Mr. President, I am heartily in favor of House bill 5059. I hope that it will be passed. The reason why I reserved the right to object was that we in this part of the Chamber could not hear what bill on the calendar

was being taken up. I am heartily in favor of the bill.

The PRESIDING OFFICER. Is there objection to the consideration of House bill 5059?

There being no objection, the bill (H. R. 5059) to provide additional compensation for postmasters and employees of the postal service, was considered, ordered to a third reading, read the third time, and passed.

#### DISPOSITION OF RADAR SETS BY THE WAR ASSETS ADMINISTRATION

Mr. O'MAHONEY. Mr. President, I desire to ask unanimous consent to have printed in the body of the RECORD a letter which I have addressed to the War Assets Administration. The special subcommittee of the Senate Committee on Military Affairs which is dealing with various phases of the disposal of surplus property has been studying the situation with respect to all types of property, and it has come to our attention, and some mention of it has been made upon the floor of the Senate by the junior Senator from Wisconsin [Mr. WILEY], that the War Assets Administration is now the possessor of Government property in the form of radar sets to the number of from 100 to 150. These sets were manufactured by the United States at a cost of \$100,000 or more each. There is, however, no commercial market for such sets. Effort was made to sell them. They were offered to schools at \$18,000, but schools are unable to pay so large a sum, although these sets are valuable in the study of electronics.

Being unable to sell the sets at the fixed price of \$18,000 a set, the War Assets Administration has had in mind scrapping the sets. The letter which I am inserting in the RECORD suggests to the War Assets Administration that instead of scrapping the sets, which would produce for the Government probably less than \$1,000 a set, the sets should be disposed of at not less than the scrapping value to schools which can use them. I know that Members of the Senate will be interested in the letter which I have asked to have printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 10, 1946.

Gen. EDMUND GREGORY,  
War Assets Administration,  
Washington, D. C.

MY DEAR GENERAL GREGORY: Thank you for your reply of April 26 to my inquiry concerning the extent to which items of surplus property for which there is no present or foreseeable commercial demand will be made available by War Assets Administration at nominal cost to educational institutions.

Since my initial inquiry on this subject, a staff investigation by the Surplus Property Subcommittee has revealed that certain electronic equipment specified below, which is eminently suitable for use by educational institutions, is not only in excess of commercial demand, but is now being scrapped with very slight financial return to the Government. May I suggest that the scrapping of this equipment emphasizes the necessity of immediately establishing a list of items which will be donated to educational institutions in compliance with both the spirit and letter of the Surplus Property Act.

The staff investigation revealed that War Assets Administration has in its possession,

for example, 100 to 150 mobile radar sets which originally cost the Government about \$100,000 each and for which there is no present or foreseeable commercial demand. These sets have been offered to schools and colleges at a price of approximately \$18,000. Since practically no educational institution has funds for so expensive a piece of demonstration apparatus, no sales have been made. However, several institutions have expressed a desire to obtain such a set at a price which they can afford. Instead of making these sets available to such schools at the scrap value or a nominal price, a scrapping program has been instituted which nets the Government less than \$1,000 per set (exclusive of the automotive equipment). The commercial scrapping of this equipment, instead of making it available to schools, cannot, I believe, be justified under the Surplus Property Act.

A similar situation exists in the case of several thousand air-borne radio transmitters and receivers (SCR-183 and 283) which originally cost the Government in the vicinity of \$400 each, and 500 field communications sets which cost approximately \$600. These sets would be ideal, I am advised, for classroom demonstration purposes although there is apparently no commercial demand for them. Despite the fact that recovery for the Government from commercial scrapping is very low, the staff investigation revealed that such a scrapping program had been initiated for this equipment.

The fact that commercial scrapping programs are already in effect with respect to these important items of educational electronic equipment emphasizes the need for prompt action in establishing a general list of items to be offered to educational institutions at a nominal price.

Sincerely yours,

JOSEPH C. O'MAHONEY,  
Chairman, Surplus  
Property Subcommittee.

#### MEDIATION OF LABOR DISPUTES

The Senate resumed the consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. MAGNUSON. Mr. President, I wish to make a few remarks with reference to what the Senator from Oregon [Mr. MORSE] has said.

He made a reference to those of us who voted against taking up what has been called the Case bill.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. MORSE. I am willing to let the RECORD speak for itself, but I made no reference to the Members of the Senate who voted against taking up the Case bill.

Mr. MAGNUSON. I believe it to be unfortunate that in our discussions of the bill we have referred to it as being the Case bill. I think those words are unfortunate. The Senator from Oregon knows that I voted against taking up the bill because of what was stated by the Senator from Oregon. The bill is not the Case bill. It solves nothing in regard to our labor problems. All it does is to take certain mediation services from the Department of Labor and place them in an independent agency. It is tweedle-dee and tweedledum.

I agree with the Senator from Oregon that the Senate has many very important matters to dispose of, the discussion of which would be more important than a discussion of a bill which has

many times been unfortunately referred to as the Case bill.

Mr. PEPPER. Mr. President, I am one of those who voted in favor of taking up the so-called Case bill. It is not the Case bill, but is a substitute for the Case bill. I cannot agree with my esteemed colleague from Washington that the bill is of no importance. The committee held long hearings and deliberated a long time, and, by a definite majority, reported to the Senate the bill which is now on the Senate Calendar. That bill provides far more effective mediation and arbitration machinery for aiding in the settlement of industrial disputes than has ever before been provided by Congress. A majority of the committee did not wish to report to the Senate a bill which it deemed unwise, and which imposed undue strictures upon the freedom of the working men and women of this country. I am not unwilling to consider the Senate bill at the present time, but notice had already been given that we were not supposed to act upon the Senate bill; that it was to be used as a vehicle to bring before the Senate an entirely new legislative proposal for immediate action.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MORSE. I wish to make one point clear in the RECORD. I judge from the remarks of the Senator from Washington, and, I believe, also of the Senator from Florida, that there was implied the view that I criticized Senators who voted against taking up the bill. I assert that I respect their votes, and they may, of course, vote in any way they choose. However, my reference to legislation which was voted to be taken up this afternoon had to do with conversations I had in the reception room today with three groups who suggested to me that I vote against taking up the proposed legislation, and I made clear to them that I would vote to take it up, because in my judgment we must face this issue and find out what action the Congress of the United States is willing to take in regard to the issues involved. I believe that to be what the people of the United States want us to do, and I think we should meet their desires in the matter. So far as taking action is concerned, I do not propose to vote for the type of restrictive amendments which are the so-called Pace bill amendments, and which I understand are to be proposed and added to the bill.

I agree with the Senator from Florida that the bill reported by the Labor Committee is a much broader bill than the Senator from Washington seems to believe it to be. I think it is a very constructive bill and that a great amount of good will result from it.

While I am on my feet, with the cooperation of the Senator from Florida, I will make one more point. I wish to make it because it is in line, I think, with the underlying principle of the McMahon resolution, which was offered on the floor this afternoon, which, as the Senator from Florida knows, is in consonance with views of mine expressed in the Education and Labor Committee.

The Committee on Education and Labor should without further delay appoint a special subcommittee of at least three members to proceed to conduct Nation-wide hearings on the whole problem of labor relations, and make an investigation of both employer and employee practices which are conducive to much of the labor unrest now rampant.

I think the activities of such a committee could very well cover the investigation suggested by the Senator from Connecticut in his resolution, for what I think we need, in addition to the legislation which has been pointed out, is the type of factual study which would be produced by such an investigating committee over the summer and early next fall, so that when we reconvene at the beginning of the next session there can be laid before the Senate a body of information which now is not in existence.

We cannot turn anywhere, in my judgment, and find the objective data we need to pass statesmanlike legislation in the field of labor relations. The great danger is that in these hectic days, with feelings of hysteria and panic rife throughout the country, we are likely to pass legislation which will cause more labor trouble than it will settle. That is my primary interest in this whole subject.

Mr. President, I wish to say to the Senator from Florida and to the Senator from Washington, differ as we may on legislative procedure to accomplish the end, I think we are of one mind as to the final objective, namely, the objective of getting the facts, so that we really can do a statesmanlike job in this matter. We cannot do it; it simply cannot be done, if we proceed, as I think the Senate is about to proceed, with very hasty action in the field of labor legislation.

Mr. PEPPER. I thank the Senator from Oregon.

Mr. MAGNUSON. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. MAGNUSON. I merely wanted to assure the Senator from Oregon that I meant no reflection on his reference to the vote or to the bill. I merely wanted to point out the reason for my vote, which is that, in my best judgment, this is not the Case bill at all; that if we had the Case bill before the Senate, we would have something we could put our teeth in, and could vote "yes" or "no."

Mr. BARKLEY. As the Senator knows, the Case bill is before the Senate. It is the bill as it passed the House with the Case bill language stricken out and a substitute written in. But that does not mean that the Case bill is not before the Senate.

Mr. MAGNUSON. Technically, the Case bill is before the Senate. I merely wanted to point out the situation insofar as my opinion was concerned.

Mr. AIKEN. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. AIKEN. I rise to advise the Senator from Florida, and other Senators, that I was opposed to bringing up the so-called Case bill at this time because it should not be first on our schedule of legislation. The Case bill, so-called, can

do nothing whatsoever in adding to the machinery now available for handling the coal strike. It concerns permanent labor legislation.

Mr. President, there are two other bills of more vital importance which this body should decide on before we take up the matter of long-range labor legislation. One of those bills is the draft bill. More than 100,000 young men in this country today cannot make their plans for going to college or going into the Army this fall until they know what their status will be. In the meantime, the colleges are filling up with students, they have more than they can handle, and in refusing to act on the draft bill and to determine its future status at this time, we are undoubtedly depriving a good many young men of the chance to go to college which they otherwise might have.

The other matter which should have been decided by the Congress a good while ago is the future status of the Office of Price Administration. Every businessman in this country wants to know whether he is going to do business under the regulations of the OPA after July 1. We are expecting a movement of all kinds of goods now.

I still maintain that both those bills, the OPA bill and the draft bill, should have precedence over this long-range labor legislation which we are asked to consider. If the proposed legislation could do one single thing toward settling the coal strike, that would be another matter, but, as the Senator from Ohio [Mr. TAFT] pointed out yesterday, it would add absolutely nothing to the machinery now available, if that machinery were used, and we certainly cannot enact any legislation which will have any more teeth in it or provide any greater penalty than the legislation which is embodied in the Smith-Connally Act, which the Government can use at any time it sees fit.

I think we made a mistake in bringing up this bill, and putting off the more vital measures which should be before us.

Mr. HAYDEN. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. If the Senator will excuse me, I shall have to go to another engagement, and I shall take only about 2 minutes; then I shall yield the floor.

Mr. AIKEN. Mr. President, if I may add one word, the shortage of food is now the world's greatest problem, and it is likely to exist for some time to come.

All over the northeastern part of the United States, agricultural colleges have only half the number of students they had in normal times before the war. The reason for that is that as quickly as a boy comes off the farm to go to an agricultural college, if he has reached the age of 18 he is slapped into the Army, and with the production of food the most vital problem in the world for the next few years, those agricultural students should be enabled to obtain their education so that they may help in producing food, which we need more than almost anything else. Yet they cannot do it until we determine the status of the Draft Act.



Mr. PEPPER. Mr. President, I thank the able Senator. I merely wanted to say that members of the Senate Committee on Education and Labor, of whom there are several on the floor at the present time, will attest that the measure before us was not reported hastily. We deliberated several weeks over the Case bill when it came to the Senate. We held hearings and there was a keen discussion and interest in the subject manifested by all the members of the committee. Finally we reported the Case bill in the form in which it is now before the Senate for consideration. I wish to repudiate the suggestion that the Committee on Education and Labor had not dutifully tried to bring its views and thoughts upon the subject to our colleagues here.

Now, just one further matter. I have no objection to the consideration of the bill reported by the committee, or to the consideration of the amendments proposed by the minority of the committee, but what troubled me was that Senators in making the motion to bring up the Case bill, and in making their addresses relative to the motion, indicated that they wanted merely to use that as the carrier upon the back of which they could impose other legislative amendments which the committee had not had an opportunity to consider and to review.

I believe, Mr. President, that we should not legislate in a spirit of passion. We are not legislating merely for John L. Lewis. When we pass labor legislation we are legislating for all the working community of the United States, employers and employees alike.

I saw the folly of the practice we followed when we enacted the Smith-Connally bill, for which, I regret to say, I cast the only vote since I have been in the Senate of which I am ashamed. But I said that I would not again fall into the same error so soon. We learn a little bit by experience.

If the Senators have an idea that because they are angry at John L. Lewis they are going to pass a labor bill of which they would be ashamed, or perhaps I should say, would regret, at a later time, then I think that is a design they should abandon. So when we begin deliberations on this subject Monday, if Senators are going to act on the bill and on the amendments offered by the minority, then we cannot proceed as we should to the writing of labor legislation upon the general subject of industrial disputes. I am hoping that we will sufficiently moderate our passions to proceed in a serious and solemn way upon this most important subject.

Mr. REVERCOMB. Mr. President, I did not care to make any remarks on the subject of the bill now pending before the Senate (H. R. 4908) until I heard discussion as to whether it is the Case bill or not the Case bill. It seems to me it makes no difference by what name it may be called; but legislation dealing with the general subject of management and labor is now before the Senate.

Some statement has been made about attending to the troubles in the coal industry. It is certainly my hope that the Senate will not proceed with any special legislation dealing with any spe-

cial industry, but that the legislation which comes out of this body will deal with all industries. I do not want to see special legislation. I want fair legislation. I want legislation which is fair to the worker and fair to the employer.

Mr. President, I have hoped that out of all this might come some plan whereby when labor disputes arise in the places of work between the workers and the management the men who wanted to continue to work in their employment could do so if they desired, in order that their savings would not be wiped out by reason of lacking employment or failing to work.

I feel that a great wrong is done, not to the public alone, but to those who work in the different places of employment when they are idle and desire to work, and must consume their own savings, the savings they have laid aside for the support of their families, for the education of their children, and for the days ahead of them. I hope that some method may be devised in fairness to the workers which will permit those who desire to continue in their work to do so. Of course, no man under any law in this country can be compelled to work if he does not want to.

I further wish to say, Mr. President, that I feel that there is now vested in the Chief Executive full powers under the wartime acts to deal with the subject. Those powers have not been used. There is no gainsaying that. Those powers have not been used, not only in the recent crisis, but in some crises before this.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. LUCAS. What does the Senator suggest that the President do?

Mr. REVERCOMB. The President could act to seize any property he wanted to seize.

Mr. LUCAS. Yes. I suggested that the other day. Then after that, what do we do?

Mr. REVERCOMB. The same thing could be done as has been done in the case of other seizures by the Government; keep the plants open so men may continue to work.

Mr. LUCAS. And that is all the remedy there is?

Mr. REVERCOMB. Yes.

Mr. LUCAS. Does the Senator think that would be sufficient?

Mr. REVERCOMB. I believe it would be. Certainly it would be one step in the right direction.

Mr. LUCAS. Then the Senator does not believe that the Smith-Connally Act is such a bad act after all, as it has been painted by some Senators to be?

Mr. REVERCOMB. I believe the Smith-Connally Act is not such a bad act if properly applied. I believe its provisions would be useful.

Mr. LUCAS. If it were not for the Smith-Connally Act the President would not have any power to seize the mines. I believe that is the truth of the matter.

Mr. REVERCOMB. Yes.

Mr. LUCAS. From a reading of that statute I would assume that he has the power under the present law.

Mr. REVERCOMB. I agree to that. But, be that as it may, if further legis-

lation on the subject is needed, in fairness to all parties concerned we are ready to proceed with it. I hope, however, that we will proceed with deliberation and fairness. I am not interested in accusing any individuals of being ruthless or trying to be dictators. I am thoroughly unimpressed by such statements. We are here to face the subject of passing laws which will permit the workers to go back to work and earn a living under fair conditions. With that in mind I hope we will proceed with sound deliberation upon the subject.

Mr. LUCAS. Mr. President, I ask unanimous consent, without taking the time of the Senate to read them, to have certain telegrams printed in the body of the RECORD following the few remarks I shall make. I have selected a few telegrams from the many hundreds which are coming to my office daily, dealing with the coal strike; telegrams concerning certain industries and manufacturing concerns in the State of Illinois which are seriously affected as a result of what is going on throughout the country.

The PRESIDING OFFICER. Without objection, the telegrams will be printed in the RECORD.

(See exhibit 1.)

Mr. LUCAS. While I am on my feet I desire to say that as one United States Senator I am more than happy to learn of the statement made by the leader of the Senate this afternoon in which he gave assurance to the country that the miners have called a truce and are going back to work, at least for a period of 12 days.

Mr. President, I had hoped that it might have been longer than that. All industries in my own State of Illinois are operating under an order of the Commerce Commission of that State on a 24-hour a week basis. As a matter of fact, I seriously doubt that a 12-day supply of coal will induce the Illinois Commerce Commission to change the order it has heretofore issued. In other words, if we are compelled to continue in accordance with the terms of the order issued by the Illinois Commerce Commission under which all industries are on only a 24-hour a week basis, the people of Illinois will continue to suffer, notwithstanding the 12-day truce during which the miners will resume their work in mining coal.

Mr. President, I think what has just been done is a significant sign. I think it is a constructive act upon the part of those responsible for this extraordinary controversy. As one who knows what is going on in this country and what will happen if there is not a definite settlement of the coal strike, I say to the Senate that I am more than happy over this gesture, because the telegrams which come to me do not belie the facts. I know how serious this coal strike is to the welfare of the Nation. The telegrams which come pouring over my desk, and no doubt similar telegrams are pouring over the desks of my colleague from Illinois and other Senators, describe exactly what is happening in Illinois in the way of prostrating industry and paralyzing the transportation system of that great State.

Mr. President, I hope that the suggestion of a 12-day truce means the beginning of and a continuation of collective bargaining between the miners' representatives and the representatives of the operators, with the result that a constructive solution will be reached between them. Only through such cooperation can the American people go on their way in this reconversion period toward a destiny to which no country in peacetime has ever before looked forward, and which we can surely attain if we only start the wheels and machinery of industry operating and the workers back to work.

In connection with the proposed labor legislation, let me say that I do not want to see the gains of labor taken away, but, Mr. President, if the Senate of the United States is all wrought up about a situation, if it is going to be compelled under the present circumstances of passion and anger to legislate, no Member of the Senate can justly contend that it is the fault of the United States Senate, whatever its final decision may be. We are faced with a condition—and I spoke of it the other day—and not with a theory. I hope that we will legislate with reason and with order and with the purpose of maintaining the rights which the miners have secured, as well as the rights of all other laboring men throughout the country.

Mr. President, labor has obtained more rights under the Democratic administration during the last 12 or 14 years than it obtained during all the rest of the time in the history of the labor movement. Now, the obstinacy and the selfishness of a few men may result in the throwing away of some of the gains made by labor. Let no one say, if such should happen, that it will be the fault of the United States Senate. I shall never agree to that. I am willing to legislate and I want to legislate with order and reason on this subject. But if anything happens to the gains which labor has made, and which the Senator from Illinois has consistently supported for a period of 12 years, any blame attached to the Senator from Illinois, I shall disavow. When a responsibility is granted to important organizations in this country, whether it be labor or industry, or any other group of men, they must act in the spirit of fidelity and trust which is known to all of us. They must administer that trust in the American way and no individual or group, irrespective of how large or how small, has a right to have a monopolistic control over any commodity in the Nation, to such an extent that the whole Nation must suffer. Congress must, if necessary, legislate to meet this kind of a situation. If we cannot do it, then, Mr. President, you can sing your swan song for a free and orderly government.

## EXHIBIT 1

MORRIS, ILL., May 10, 1946.

Senator SCOTT W. LUCAS,  
Senate Office Building,  
Washington, D. C.:

Restrictions caused by coal strike beginning to result in shortages which will curtail planting of corn and soy beans. The responsibility of settling strike is totally

Congress'. Legislation immediately needed. Expect you to press for action.

JAMES F. HOLDERMAN,  
President, Grundy County Farm Bureau.

QUINCY, ILL., May 9, 1946.

Senator SCOTT W. LUCAS,  
Senate Office Building,  
Washington, D. C.:

Unless coal strike is promptly settled 1,500 men will be laid off at Gardner Denver Co. and several thousand more in this area. Certainly the hardships already experienced warrant drastic measures be taken to settle this strike and legislation adopted to prevent such reoccurrences. Immediate action is vital.

GARDNER DENVER CO.,  
H. G. MYERS, President.

CHAMPAIGN, ILL., May 9, 1946.

Hon. SCOTT W. LUCAS,  
Senate Office Building,  
Washington, D. C.:

The 2,300 members of Illinois Electric Cooperative believing that the present coal strike constitutes a dangerous threat not only to American agriculture but to the economic welfare of our entire country, and further believing that the security of many should not be jeopardized for the benefit of a few, earnestly solicit your best efforts to secure an early end to this strike.

ILLINOIS ELECTRIC COOPERATIVE,  
H. R. OWEN, President.

CHICAGO, ILL., May 9, 1946.

Hon. SCOTT W. LUCAS,  
United States Senate,  
Washington, D. C.:

Please ask John L. Lewis if he will be kind enough to let us Chicagoans exist.

JOHN T. MORAN.

CASEY, ILL., May 9, 1946.

Senator SCOTT W. LUCAS,  
United States Senate,  
Washington, D. C.:

Casey Rotary Club which consists of 45 members appeals to you as our representative in the National Government to do something about the coal strike which is affecting our city and every industry in the United States.

WILLIAM LINDSEY, President.  
L. C. BEABOUT, Secretary.

VIRGEN, ILL., May 9, 1946.

Senator SCOTT W. LUCAS,  
Washington, D. C.:

The Virgen Chamber of Commerce request you use every means at your disposal to speedily settle the labor crisis, which has paralyzed our local industries and jeopardized our health and safety, we recommend you sponsor legislation to eliminate future economic disruption.

NEAL CROUSE,  
Secretary.

CHICAGO, ILL., May 9, 1946.

Senator LUCAS,  
United States Senate,  
Washington, D. C.:

We encourage and urge your immediate action in this crisis which is crippling the Nation.

Mr. and Mrs. HARRY MOHLMAN.

FREEPORT, ILL., May 9, 1946.

Senator SCOTT W. LUCAS,  
Senate Office Building,  
Washington, D. C.:

Our plant is shut down flat. We want intelligent legislative action to prevent a recurrence of existing conditions. On the whole we endorse Illinois Manufacturers' Association's recommendations. Immediate ac-

tion is necessary. Situation already very serious.

BURGESS CELLULOSE CO.,  
VICTOR E. FISHBURN.

CHICAGO, ILL., May 9, 1946.

Hon. SCOTT W. LUCAS,  
United States Senate,  
Washington, D. C.:

Due to coal strike our 1,150 employees in another week will be completely out of work; now on half time. Scores of them have suggested that we demand effective and quick congressional action, therefore this telegram.

J. B. SIMPSON, INC.,  
ENOCH STEEN, President.

CHICAGO, ILL., May 9, 1946.

Senator SCOTT W. LUCAS,  
Senate Office Building,  
Washington, D. C.:

After our distinguished war service on the production front, now, having endured successive reconversion crises like thousands of other small businesses, we are finally getting started. Unless Government seizes coal mines and reinstitute coal production immediately, Nation's small business operations will be destroyed. Please act now.

NATIONAL ACOUSTIC PRODUCTS,  
ARNOLD I. SHURE,  
General Manager.

ROCKFORD, ILL., May 9, 1946.

Senator SCOTT W. LUCAS,  
Washington, D. C.:

Our 700 employees forced to a 2-day work week by the coal strike. Urge immediate legislation leading to a prompt settlement; situation very serious here.

GUNITE FOUNDRIES CORP.

CHICAGO, ILL., May 9, 1946.

Hon. SCOTT W. LUCAS,  
Senate Office Building,  
Washington, D. C.:

Very much upset because of coal strike. Entire plant operation shut down; 150 employees laid off. Imperative that you do something.

CENTURY METALCRAFT CORP.

CHICAGO, ILL., May 9, 1946.

Hon. SCOTT W. LUCAS,  
Senate Office Building,  
Washington, D. C.:

Coal strike situation with stoppage of fertilizer shipments has far-reaching effect of reduced food supplies urgently needed all over the world. Appreciate your energetic approach to subject and urge pushing for immediate action on resumption of production with differences between operators and miners to be settled later.

THOMPSON PHOSPHATE CO.,  
Fertilizer Shippers.

SYCAMORE, ILL., May 9, 1946.

Senator SCOTT W. LUCAS,  
United States Senate,  
Washington, D. C.:

We urgently request your prompt action toward bringing about a settlement of the coal strike which is already causing severe hardship to our employees and community. Your immediate and effective action in this regard is respectfully requested.

THE TURNER BRASS WORKS,  
W. M. McALLISTER, Treasurer.

DECATUR, ILL., May 9, 1946.

Senator SCOTT W. LUCAS,  
Washington, D. C.:

We are not sufficiently informed to judge the merits of the coal miners' demands but we are convinced that it is imperative that legislation be passed that will prevent 1 man



or group of men from jeopardizing the welfare of the people and the Nation as is being done today.

**THE MILLIKIN NATIONAL BANK.**

PEORIA, ILL., May 9, 1946.

HON. SCOTT LUCAS,  
Senate Office Building,  
Washington, D. C.:

As the father of four overseas veterans I beg that you vigorously support some immediate legislation which will release our Nation from the disgraceful stranglehold now forced upon us.

DAN S. ANDERSON.

DANVILLE, ILL., May 9, 1946.

HON. SCOTT LUCAS,  
United States Senate Building,  
Washington, D. C.:

The Vermilion County Farm Bureau board of directors in session at Danville today voted unanimously that you be commended for the stand you have taken in connection with the coal strike. They trust that your fellow legislators will concur in your belief and recommended action.

VERMILION COUNTY FARM BUREAU,  
ROSS BOWERS, President.

CHICAGO, ILL., May 9, 1946.

HON. SCOTT W. LUCAS,  
United States Senate,  
Washington, D. C.:

Coal strike has closed our plant first time in 11 years, throwing several hundred employees on unemployment insurance so Lewis and his backers can win their demand. If our sons fought to overcome dictators and tyrants in other lands so they could live under them here what are you wasting your time for in Congress? This is to demand that some action be taken to ride down the men who are closing our industries. Why cannot the Federal Trade Commission act in the destructive act of monopoly? If any industrial company caused this widespread grief and unemployment you would bring court action immediately; of whom are you afraid? Will Congress and Truman do something or do the citizens of this country have to do it?

GITS MOLDING CORP.,  
C. N. CAHILL, Vice President.

PEORIA, ILL., May 9, 1946.

Senator SCOTT W. LUCAS,  
Senate Office, Washington, D. C.:

Curtailment of every type of industry due to coal shortage has caused a lay-off of thousands. This in turn has caused a sharp decline in fluid milk consumption. We are not equipped to convert the surplus of fluid milk into other dairy products and other processors in this area are flooded with milk. Unless the coal strike is ended immediately so that industry can go back to work we are faced with the prospect of pouring thousands of pounds of milk daily into the sewers at a time when the world is crying for food. I urge you to do everything within your power to end this strike.

BAKER-STUBER DAIRY,  
LYMAN BAKER, President.

Mr. BROOKS. Mr. President, my colleague [Mr. LUCAS] has made reference to the fact that no doubt I received telegrams similar to those which he received. I am sure that I have received most of them; but I am sure that they have already been inserted in the RECORD, and it is not necessary to put them in twice. However, I ask permission to have printed in the RECORD as a part of my remarks a survey of the State of Illinois, showing

the conditions in that State, which I think was hit a little harder and a little earlier by the coal strike than any other State in the Union.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

ILLINOIS STATE CHAMBER OF COMMERCE,  
Chicago, Ill., May 9, 1946.

HON. C. WAYLAND BROOKS,  
Senate Office Building, Washington, D. C.

DEAR SENATOR BROOKS: Enclosed herein is a copy of the survey of the coal and power situation referred to in the telegram that I sent you yesterday.

This survey deals with the effects of the coal shortage in 68 communities in Illinois: Thirty-five cities report 27.7 percent of all industrial workers thrown out of work because of coal shortages.

Thirty cities report that 63.5 percent of industrial employees are limited to 24 hours of work per week.

Detailed effects in each community are set forth in the enclosed sheets.

It is our hope that this information will serve as a useful guide to you as you bring your every effort to bear upon this grave situation.

Sincerely yours,

JAMES F. STILES, Jr.,  
President.

**How the power shut-down affects industrial employment in 44 Illinois cities**

[Based on survey of Illinois State Chamber of Commerce in cooperation with local chambers of commerce]

City	Population	Total industrial employees	Employees on 24-hour week	Workers completely unemployed
Aurora	47,170	12,000	10,800	1,200
Belleville	28,405	4,000	—	—
Belvidere	8,094	1,400	—	—
Bloomington	32,888	5,300	4,500	800
Canton	11,577	1,500	—	500
Carbondale	8,550	4,000	—	60
Champaign	23,302	1,200	1,000	200
Danville	36,919	10,125	7,200	2,925
Decatur	59,305	12,500	10,000	2,500
DeKalb	9,146	2,000	1,750	250
Dixon	10,671	2,000	100	1,900
Du Quoin	7,515	1,575	—	650
East St. Louis	75,609	25,000	—	5,500
Elgin	38,333	—	1,215	—
Evansville	65,389	2,000	1,800	—
Freeport	22,366	3,700	3,000	700
Galesburg	28,876	7,800	2,000	1,000
Geneva	4,101	1,500	750	400
Harvey	17,878	11,283	9,239	2,044
Havana	3,999	350	200	100
Jacksonville	19,844	1,900	—	800
Joliet	42,365	15,000	7,500	4,000
Kankakee	22,241	6,000	2,000	1,200
Kewanee	16,901	4,000	2,800	—
LaGrange	10,479	10,000	—	8,000
LaSalle	—	—	—	—
Peru combined	25,733	8,100	3,000	1,100
Oglesby	—	—	—	—
Libertyville	3,930	750	650	100
Lincoln	12,752	1,000	900	—
Macomb	8,764	1,100	550	150
Mendota	4,215	700	—	630
Ottawa	16,005	3,000	1,500	150
Peoria	105,087	36,000	22,000	14,000
Pontiac	9,585	720	720	—
Springfield	75,503	11,000	6,000	5,000
St. Charles	5,870	2,700	2,100	200
Sterling	11,363	3,795	2,115	715
Streator	14,930	4,300	1,900	2,400
Sycamore	4,702	1,400	240	700
Taylorville	8,313	3,000	—	2,400
Urbana	14,064	2,000	1,800	200
Waukegan	34,241	20,000	—	2,000
West Frankfort	12,353	10,000	—	6,515
Total	—	—	109,389	67,223

<sup>1</sup> 109,389 workers on 24-hour week out of 172,623 industrial employees in 30 cities having population of 800,118.

<sup>2</sup> 67,223 workers completely unemployed out of 242,578 industrial employees in 35 cities having population of 849,874.

**To the Members of the Illinois Congressional Delegation:**

**EFFECTS OF THE COAL SHORTAGE ON 68 COMMUNITIES IN ILLINOIS—A SPOT SURVEY TAKEN 1 WEEK AFTER THE CURTAILMENT OF ELECTRIC POWER**

**SURVEY OF COAL AND POWER EMERGENCY**

[Population of cities in parentheses]

Aurora (47,170): 12,000 employed in industry; 10,800 on 24-hour week. Jobbins Manufacturing Co. closed. Take-home pay of workers on restricted week is \$8 to \$30 per week. Opinion is, Lewis demand too great, but workers are entitled to wage increase.

Belleville (28,405): Industrial employment, 4,000; 2,000 of these expected to be laid off in 10 days. 2,000 coal miners on strike. No effect as yet on retail and service establishments. Power supplied by Illinois Power Co.; rationing of power expected in few days. Public opinion: Get those coal mines operating.

Belvidere (8,094): 1,400 industrial employees; 800 retail. As yet, strike has had no effect on public health and safety, and retail and service establishments are operating as usual, but with lights only from 2 to 6 p. m. Power supplied by Illinois Northern Utilities; curtailment may prevent shut-down until June 1. Some factory managers have suggested complete shut-downs. Public opinion: Let Lewis and company suffer with rest of Nation on total shut-down.

Bloomington (32,868): 5,300 employed in industry; 4,500 on 24-hour week; 800 completely unemployed. Printing industry suffering greatly; 1,600 of 2,000 retail and service employees on 24-hour week. Trucking and repair companies handling farm implements curtailed, with dangerous impairing of food and agricultural progress; 9,000 applicants for unemployment compensation. Power from Illinois Power Co. dependent on Commonwealth Edison Co. Opinion: Attitude not necessarily for Government seizure. Legislation needed to prevent recurrence.

Cairo (14,407): Some local plants shut down; others expected in few days. Power and light supply expected to be down in 2 weeks. Community opinion: Immediate action should be taken to relieve situation.

Canton (11,577): Total industrial employment; completely unemployed industrial workers, 500. Principal industry affected: International Harvester, due to freight embargo. Water supply not affected. Four trains cut; freight embargo in effect Thursday, May 9. Many retail and service establishments closing down completely. No future power supply. Particular local effects: 50 percent retail trade lost in 3 days; freight embargo will affect International Harvester—"Milk cow and bread basket of Canton." Community opinion: "Is John L. Lewis more powerful than the President and Congress?"

Carbondale (8,550): Illinois Central Railroad, only industry affected, has laid off 60 men. Will cut off four passenger trains serving Carbondale on May 9, and another four by May 15. General feeling in community is that Government should take some action.

Chicago area (4,000,000): Industrial employees number approximately 600,000. All industries are observing restricted 24-hour workweek except the 20 percent producing food products which do not come under the ICC restriction order. Seven large firms have laid off 37,850; they are: Stewart-Warner Corp., 500; International Harvester, 3,800; Electro-Motive division of General Motors, 7,200; United States Steel subsidiaries, 23,500; Inland Steel, 350; Republic Steel, 2,500. Many other plants will daily lay off employees as power and coal shortage continues. Practically all theaters have been closed; some may reopen. Water supply facilities endangered. Several through trains have been

discontinued and 148 suburban trains have been taken off. All retail stores are observing ICC restrictive orders. The railroad freight embargo beginning Friday will drastically cripple industrial production and shipping. Paralysis is spreading deeper into all avenues of Chicago's economy.

Freeport (22,366): Three thousand seven hundred employed in industry; 3,000 on 24-hour week, 59 completely unemployed, 1,000 retail and service employees on 24-hour week. Illinois Northern Utilities furnishes power. Power outlook, poor. Fire of any consequence would be a calamity. Hardships will begin with curtailed pay envelopes. Opinion: Congress should make laws that safeguard the welfare of the people and not that one group could cause a national disaster.

Pekin (19,407): Seven railroads serving Pekin have partially laid off employees, and each expects to lay off more after embargo begins. Industrial employment is 5,276, and all Pekin industries will be forced into complete or partial unemployment with a continuation of coal shortage and embargo. Five large grain processing industries exempt from power restrictions will continue on full-time basis as long as coal will be allocated to them. Over 1,000 Caterpillar Tractor Co. employees living in Pekin laid off. A new 6-hour work day, 6-day week, established in retail and service establishments, most employees working full 40-hour week. Retail stores open daily from 10 to 4, electricity to be used only between the hours of 12 and 4.

Carmi (4,098): Four hundred will be unemployed if Carmi Feature Underwear shuts down due to transportation curtailment. Source of power operated entirely by Diesel.

One thousand eight hundred and seventy-six oil wells producing 30,000 barrels daily will be hit due to curtailment of oil-well supplies and lack of manufacture of heavy duty tires. Community opinion: Concern over congressional inability to handle situation.

Centralia (16,343): Unemployment, account of coal strike, numbers 850 railroad men and 400 miners. Illinois Central Railroad curtailment affects Centralia. Community feels that coal strike should be stopped instantly in interest of public health and welfare. Business on regular schedule at present.

Champaign (23,302): One thousand of 1,200 industrial employees on 24-hour week and 200 completely unemployed. One hundred and seventy-five railroad employees laid off, and this number may soon double. Fifty percent of retail and service employees working 24 hours at present, receiving full pay. Freight embargo may force 90 percent shut-down of industry.

Danville (36,919): Ten thousand one hundred and twenty-five employed in industry. Seven thousand two hundred on 24-hour week, 2,925 completely unemployed. All 4,200 retail and service employees on 24-hour week. Eighteen passenger trains and 12 freight trains discontinued May 7. Twenty-one additional trains canceled on May 9. Laundries and cleaners have 5-day fuel supply. Dairies have 5- to 7-day fuel supply.

Decatur (59,305): Twelve thousand five hundred employed in industry. Ten thousand on 24-hour week, 550 completely unemployed. Eight thousand six hundred and fifty employed in retail and services. Six thousand nine hundred on 24-hour week. Water supply can run 2 weeks unless 11 cars of coal promised are delivered. Four passenger trains abandoned. Opinion: To conserve remaining fuel, executive committee of Decatur Chamber of Commerce urges two steps:

"1. That even more drastic steps for curtailment of power than those already taken in certain sections of Illinois and cities of

the country be applied by the National Government to every part of the Nation. In this emergency we believe the available fuel supply belongs to all the people, and must be conserved and used only for the most essential purposes necessary for the preservation of health and life.

"2. That the President of the United States call together the representatives of operators and miners and keep them in continuous session until an agreement has been reached for the resumption of mining operations."

Dixon (10,671): Two thousand employed in industry. One hundred on 24-hour week; 725 completely unemployed. Wire and cement company affected. Six hundred in retail and service on 24-hour week. Water system and health facilities jeopardized when present coal supply is exhausted. Borden Co. has 15-day supply of coal. Will have to shut down completely if no coal forthcoming by then.

De Kalb (9,146): Cyclone Fence Co. and Dietz Forge Co. are shut down; others may close in 2 days. Completely unemployed industrial workers number 250, and 1,750 on short workweek of 24 hours. Of 934 retail employees, 888 are on short workweek. "If coal strike not settled within 1 week, anticipate curtailment of electricity to point of cutting out all industrial and commercial service, and curtailment of residential use. Public opinion is that immediate Government action for return to work by miners pending adjustment of differences is only sane method to pursue."

Du Quoin (7,515): Industrial employment, 1,575; retail employment, 120. Industrial workers completely unemployed, 650 (miners). Power supplied by Illinois Power Co. hydro plants within 12 miles. Community opinion: Varied as to action. Miners seem willing to return to work under any condition, but will act as advised by Lewis.

East Moline (12,359): Industrial employment, 10,000. American Machine and Metals announce 2 weeks' vacation with pay to 1,600 employees beginning May 17. No brown-out as yet. Water power replaces coal and local utilities assure complete service for many months. Inability to secure assembly parts may hamper industries within 10 days. Community opinion: Government should step in.

East St. Louis (75,609): Industrial employment: 31,000, 6,000 of these railroad employees. Completely unemployed industrial employees, 5,500. Industries affected: Aluminum Ore Co., American Zinc Co., American Steel Foundries, American Asphalt, Continental Can, General Chemical Co., George Mepharm Co., Key Co., Midwest Rubber Co., Monsanto Chemical Co., and Lewin Metals Co. Two thousand five hundred of six thousand railroad men completely unemployed. Power supplied by Keokuk Dam; 25 days' coal supply left. Local effects: Continental Can Co. closed, 320 employees out. In 10 days 15,000 employees expected out of several industries. (General Chemical Co. on strike.) Community opinion: Federal Government has obligation to do something. We are losing prestige as a government.

Edwardsville (8,008): Face complete shut-down within 30 days if coal strike continues. About 2,800 workers not yet affected.

Effingham (6,180): No effect.

Elgin (38,333): Total employees, 8,100. Industrial employees, 4,050; retail employees, 4,050. 30 percent or 1,215 industrial employees on 24-hour week, 2,000 retail employees on restricted week. Power supply for water depends upon Edison system (all pumped by electricity). Chicago, Milwaukee, and St. Paul Railroad has taken off five suburban trains. "An unusual number" of persons now working in Elgin, due to several large industries producing their own power. Community opinion: Urge Congress to take action.

Evanston (65,389): 90 percent of 2,000 industrial employees and 95 percent of 4,000 retail and service establishments are on 24-hour workweek. Several months' coal supply on hand for water supply.

Flora (5,474): Total employees, 1,500; 250 retail employees on 24-hour week. Water supply and sewage facilities depend on municipal light plant operation. Coal supply will not exceed 10 days. Community opinion: Immediate steps to be taken to relieve and cure source of trouble.

Galesburg (28,876): Seven thousand, eight hundred employed in industry; 2,000 on 24-hour week; 1,000 completely unemployed. American Steel Foundries plant closed. Of 1,800 retail and service employees, 800 are on 24-hour week. Business will be seriously curtailed by abandonment of trains.

Geneva (4,101): Of 1,500 industrial employees, 400 are completely unemployed and 750 on 24-hour workweek. Forty percent of 750 retail store employees are on restricted workweek. Principal industries affected are Burgess Norton Manufacturing Co. and Modern Steel Equipment Co. "General feeling in community is that President Truman should assume immediate control."

Granite City (22,974): Industrial employees number 17,000. Impending rail embargo beginning Friday will be felt immediately. Two thousand eight hundred out on strike, 2,200 idle for 14 weeks at Granite City Steel Co. and 600 idle for 8 weeks at NESCO Plant. No industrial curtailment yet due to coal and power restrictions but expect greatly reduced operations next week as industrial coal piled about gone.

Harvard (3,121): Fifteen percent of 450 factory employees are on restricted workweek.

Harvey (17,878): Eleven thousand three hundred employed in industry. Nine thousand two hundred and fifty on 24-hour week. Two thousand and fifty totally unemployed. Four hundred and fifty of 1,173 retail employees on 24-hour week. Passenger train service curtailed. Shorter pay checks reducing retail sales. Due to interdependence for parts, all industry will be closed within week or 10 days. Opinion is Congress should act immediately. Do not favor royalty payments to the union. No one is happy about the situation and it would not take much to arouse Harvey citizens to the point of taking somebody or something apart.

Habana (3,999): Three hundred and fifty employed in industry. Two hundred on 24-hour week. One hundred completely unemployed. Water supply dependent on electricity. Railroad curtailment will force complete shut-down of industry shortly. Retail stores planning to close and give vacations if strike continues. Opinion in favor of Senator Lucas' attitude in this situation.

Jacksonville (19,844): One thousand nine hundred employed in industry. Eight hundred completely unemployed. Power supply is from local gas and Diesel plant. Local industries are closing due to steel shortage. Opinion: Business and public in uproar. Demand action and seemingly favor Government seizure.

Joliet (42,365): Fifteen thousand employed in industry. Seven thousand five hundred on 24-hour week. Four thousand completely unemployed. Two thousand five hundred of 5,000 retail and service employees on 24-hour week. One railroad cut off seven trains. Another road will make drastic cancellation May 10. Power from Edison group. Opinion: Administration should take immediate and drastic action to reopen mines. If not done, the country will be faced with the worst calamity in its history.

Kankakee (22,241): Six thousand employed in industry. Two thousand on 24-hour week. One thousand two hundred completely unemployed. David Bradley Farm Implement Manufacturing Co. shut down. Nine hundred laid off. Five hundred of 2,100 retail



and service employees on 24-hour week. Kankakee and Manteno State Hospitals dependent on water supply. Power from Public Service Co. 25 percent curtailment of steam trains effective May 10.

Kewanee (16,901): Industrial employment, 4,000. Two thousand eight hundred industrial employees on 24-hour week. Fifty percent of retail employees on 24-hour week. Larger retail stores operating 2 to 6 p. m. Smaller stores operating without lights from 9 a. m. to 5:30 p. m. Community opinion: Favors immediate congressional action.

La Grange (10,479): General Motors closed plant laying off 7,200. Nineteen trains have been discontinued. Many stores and offices have contrived means of furnishing own light and power.

La Salle (12,812), Peru (8,983), Oglesby (3,938): 8,100 employed in industry; 3,000 on 24-hour week; 1,100 completely unemployed. Three cement companies and a chemical company shut down. If railroad curtailment continues nearly all industry will close within short time. One thousand eight hundred employed in retail and services; 800 on 24-hour week. Retail sales down at least 40 percent. Municipal power plant in Peru has 30-day coal supply. La Salle and Oglesby dependent on Illinois Power Co. Opinion: Legislation needed to prohibit strikes affecting public utilities.

Lawrenceville (6,213): Local power company has good supply of coal; 1,000 employed in industry; 60 employees laid off May 9 on account of rail embargo.

Libertyville (3,930): General Metal Craft completely down and Foulds Milling Co. seriously affected. One hundred factory workers out and 650 of 750 total on restricted work-week of 24 hours, as are 500 of the communities' 600 retail employees. Situation considered critical. Eight daily and two Sunday trains discontinued. Half of sentiment against Government indifference and half against union stubbornness. Threat of railroad strike causing great concern.

Lincoln (12,752): Industrial employees number 1,000, of which 900 are on restricted 24-hour week. All of 500 retail employees are on 24-hour week. Curtailment of four trains felt: \$10,000 weekly industrial pay roll loss as result of coal and power restrictions. Attitude of citizens very wrathful against Lewis and want correction legislation enacted.

McLeansboro (2,528): Powered by municipal plant having coal supply for only 8 days. Exhaustion of this supply will be major catastrophe from public health and safety viewpoint. City cannot stand serious blow to two factories supplying major income for city. Opinion is action should be taken to release coal; freedom and that which it entails should not be used to force a catastrophe so uncalled for.

Macomb (8,764): One thousand one hundred employed in industry. Five hundred and fifty working 24-hour week. One hundred and fifty completely unemployed. Majority in retail and service establishments on 24-hour basis. Sufficient coal to handle water supply for next 10 or 15 days. General feeling of indignation at lack of action by authorities in Washington exists. Favor legislation to prohibit strikes affecting public utilities.

Mattoon (15,827): No curtailment as yet.

Mendota (4,215): Industrial employment, 700; retail, 250. Ninety percent, or 63, industrial employees on 24-hour week. Conco Engineering Co. has laid off 50; Towers, Inc., 20. Two freight trains discontinued on Burlington. (Prospective strike May 18. Power supplied by Illinois Northern Utilities; future supply acute.) Community opinion: Place blame on Lewis and lack of leadership in White House. "Feel that Nation has been thrown into almost complete anarchy."

Moline (34,608): Two passenger trains cut. Power supplied by Iowa-Illinois Gas & Electric Co. Two small local plants supplement

steam-produced power. (Situation same as Rock Island.)

Mount Vernon (14,724): Industries and retail and service establishments soon to curtail operations. Four daily passenger trains curtailed, passengers rerouted to Chicago, making longer trip. Missouri Pacific Railroad to curtail all coal burners Monday. "General feeling is that fair legislation designed to alleviate present situation and prevent recurrence should be undertaken."

Ottawa (16,005): Libbey-Owens-Ford Glass Co. with 1,300 employees and Ottawa Silica Co. with 180, although supplying own electricity will be forced to cut operations 80 percent next week due to coal shortage and inability to ship in or out. Completely unemployed numbers 150, and 1,500 out of 3,000 industrial employees are on 24-hour work week. By May 9 it is expected that 1,500 will be idle and by May 13 the number will grow to 2,250. Next week daily pay-roll loss will be about \$12,000. Many retail stores plan to close next week. "Immediate action is paramount. Public sentiment indicates that Government has made possible dictatorial privileges for labor against industry, business, and the general public. Labor should be placed under same type of control and regulation that applies to business firms."

Paris (9,281): No curtailment as yet. When 24-hour week invoked 130 employees will be laid off immediately. One hundred and fifteen will be laid off if no coal is received within 3 weeks. Two hundred will be laid off if lumber is not received within 10 days.

Peoria (105,087): Of 36,000 industrial employees 14,000 are completely unemployed, 9,000 by Caterpillar Tractor Co. and 3,000 by Le Tourneau. Twenty-two thousand are working 24-hour week. Of 7,000 retail employees 4,200 are on 24-hour week. Carloadings down to 60 percent. Laundries and cleaning establishments on 24-hour week causing considerable distress. Situation becoming worse each day. Expect industrial production and freight transportation will virtually be at a standstill next week. After freight embargo starts, employment and also freight loadings expected to be down 80 percent to 90 percent. Unemployment claims totaling 6,200 for several days, too fast for USES staff to handle, expect substantial increase in applications.

Pontiac (9,585): Seven hundred and twenty employees in industry employed on 24-hour week. All business affected adversely in every respect.

Quincy (40,469): Power supply furnished by hydroelectric plant at Keokuk, Iowa. Manufacturers, in foundries especially, feel that conditions will bring about complete shutdown in short time. Community opinion: Feel that congressional action should be taken immediately.

Rantoul (2,367): No effect. Compliance with Illinois Commerce Commission.

Rochelle (4,200): Food-canning plants will be closed within 10 days. Three companies employing 600 will be closed within a week. Largest industry, California Packing Co., employing 2,000, will close within 10 days and lose 80 percent of pack unless coal is received. City has Diesel-operated power plant. Railroad curtailment materially affecting business. Opinion: New Representatives and Senators needed in Washington. There will be general collapse within 2 weeks unless miners go back to work.

Rockford (93,000): Winnebago and Boone Counties have 35,000 employed in industry, 75 percent of which are on 24-hour week. Approximately 34,400 in retail and services of which 25 percent are on 24-hour week. No figures available on totally unemployed. Eighty to eighty-five percent of Rockford's power comes from hydro and balance from Public Service Co. Coal supply will last 25 to 30 days at current rate of use. Coal supply for water sufficient only until May 25.

Opinion: We need immediate remedial legislation.

Rock Island (42,775): Two passenger trains cut; Iowa-Illinois Gas and Electric Co. supplies power. Two small local plants supplement steam-produced power. (Situation same as Moline.)

St. Charles (5,870): Industrial employment, 2,700; retail 250. Eighty percent or 2,160 industrial employees on 24-hour week; 250 retail workers on 24-hour week. Moline Malleable Iron is principal industry affected. Curtailment of C & NW suburban trains affects commuters. Power supplied by Western United Gas & Electric Co.—few days supply left.

Community opinion: Suggest getting behind Lucas' proposal.

Salem (7,319): Industrial employees, 2,400. No industrial lay-offs but steel production reduced 50 to 75 percent. One passenger and two freight trains cut affecting five train crews. Utilities are municipally owned and plant operated by oil.

Community opinion: Definitely hostile toward Lewis.

Springfield (75,503): Eleven thousand employed in industry. Six thousand on 24-hour week, 5,000 completely unemployed. Allis-Chalmers Co. closed on account of strike in company. Two implement companies—Hummer and Baker Manufacturing Co., shut down. Three thousand retail and service employees on 24-hour week. Central Illinois Light Co. and City Water, Light, and Power Department furnish power. Twenty-day supply of coal on hand. May soon have to confine power to water supply.

Opinion: There is complete confusion, demoralization, and exasperation. Congressional legislation needed.

Sterling (11,363): Russell, Burdsall & Ward Bolt & Nut Co. and Lawrence Bros. unemployed, total 715. Total of 2,115 industrial employees are on 24-hour weekly schedule out of total of 3,795, and 25 percent of 1,500 retail employees. Only 1 day water supply if power fails to pump water into wells. Railroad switching cut 50 percent. People are worried, uneasy, and belligerent.

Streator (14,930): Four thousand and three hundred employed in industry. One thousand and nine hundred on 24-hour week. Two thousand and four hundred completely unemployed. Glass company, tile company, and others have made considerable lay-offs. One thousand and eight hundred employed in retail and service. One hundred and eighty on 24-hour week.

Opinion: Protest of Government's inactivity should be made to Senators and Congressmen.

Sycamore (4,702): Industrial employees, 1,400; retail, 500. Seven hundred industrial workers completely unemployed. Turner Brass, chief industry affected has laid off 50 percent. Three freight trains have been cut. Power supplied by Central Illinois Light Co.

Community opinion: Immediate seizure of mines by Government. Legislation preventing strikes without arbitration. Make unions and members answerable to courts.

Taylorville (8,313): Industrial employment, 3,000. Completely unemployed industrial workers, 2,400. Peabody Coal Co. and Illinois Midland Railroad, principal industries affected. Power supply is ample but curtailment made.

Community opinion: None expressed.

Tuscola (2,838): Small curtailment of passenger-train service. "Most everything normal."

Urbana (14,064): Two thousand employed in industry. One thousand and eight hundred on 24-hour week. Two hundred completely unemployed. One thousand and five hundred retail and service employees all on 24-hour week. Sanitary district warns critical condition approaching. Municipal power

plant faces complete shut-down if no relief soon.

Opinion: Take immediate steps to open mines and enact legislation to control employees' dispute.

Waukegan (34,241): Twenty thousand employed in industry; 18,000 on 24-hour week; 2,000 completely unemployed. American Steel & Wire Co. shut down. Hospital and sanitation dependent on water supply. Freight embargo and express stoppage May 9 will bring business to grinding stop. Ninety percent of retailers on 24-hour week. Power furnished by Public Service Co. Tremendous loss to ovens and mains if gas company closes.

Opinion: This is a great crisis of the United States Government.

West Frankfort (12,383): Twelve thousand employed in industry; 6,515 completely unemployed due to shut-down of 6 coal companies. Not affected by dim-out regulations at present. Served by Illinois Public Service Co.

Woodstock (6,123): Industrial employment, 2,500 will work 24-hour week, starting Sunday, May 12. Power supplied by municipal power plant. Eight days' supply of fuel on hand. Solid Fuel's Administration says Woodstock will be unable to obtain more.

Community opinion: Glum outlook.

Zion (6,555): Industrial employment, 1,400; 420 industrial workers on 24-hour week. Completely unemployed, both industrial and retail, 100. Power supplied by Public Service Co. of Northern Illinois. Possible restriction of North Shore Gas Co. will affect 75 percent of homes and 300 employees of local bakery.

Mr. BROOKS. While I listened to the story about how much labor has benefited under the present administration, I was impressed with the fact that the people of the United States as a whole have suffered terribly and are now suffering because of the lackadaisical attitude of the administration. I do not question the power of the administration. It has the power to take over the mines; but it has more than that. It has the prestige of the executive officers. It has the power, prestige, and dignity of the President of the United States.

Today finally we hear that the President has invited members of both sides to sit down in a conference. Constantly we were told by the majority leader of the Senate that he did not know what was going on, that he had not been informed, that he did not know about the conferences.

Mr. BARKLEY rose.

Mr. BROOKS. I yield to the Senator from Kentucky.

Mr. BARKLEY. The Senator has misinterpreted what I said. I said that I was not informed of the conversations between the operators and the miners, and that I did not know what went on in their private conferences. That is what I said. I did not say that I did not know in a general way what was going on in the United States. I do not see why anyone should misinterpret what I said. The Senator from Illinois is not the only one who has done so. I was not speaking of general information. I said that I did not know what went on in the conferences between the miners and the operators, and that I could not determine from the newspaper reports whether what was stated in those reports was all that went on in the conferences. That is all I said, and that is all I had reference to.

Mr. BROOKS. I am sorry if I misinterpreted what the Senator said, but I certainly gained the impression—

Mr. BARKLEY. I will say to the Senator that the other day the Senator from Michigan [Mr. FERGUSON] made the same suggestion. I replied that I did not regard it as my duty to take a sledge hammer and batter a door in in order to hear what was going on in the private conferences.

Mr. FERGUSON. Mr. President—

Mr. BROOKS. Mr. President, I have the floor at the moment. I do not believe that this is any time for facetious remarks about taking sledge hammers and breaking down doors or coming up through floors. It was the duty of some Member of the Senate to do something besides talk on the floor of the Senate. It was his duty to find out what the administration, of which he is a part, was doing to bring these warring forces together.

I have listened to speeches on the floor of the Senate about what we were going to do; but nothing was done until the Senator from California [Mr. KNOWLAND] stated that he would move to take up the labor legislation. Then those who were making speeches about what they were going to do objected. They thought that giving away \$4,000,000,000 to a foreign country was more important to America than the tragic strike which has struck home in Illinois, which State I, too, have the privilege and honor of representing here. The same Senators who were talking about wanting to do something objected to taking up the labor legislation. I say that they did not have to take it up. The President of the United States had sufficient power and prestige.

What has finally happened? Finally, when the Senator from California served notice that he was going to do something about it, and that he would move to take up the labor legislation, the President invited Mr. Lewis and the operators to sit down. Finally there came a truce, and now we say what we are going to do.

I hope sincerely that the truce will be longer than 12 days. I hope that in the future the President of the United States will use his war powers before such catastrophes as have taken place in Illinois occur, not only to production but to the health and welfare of the whole State.

Mr. WILEY. Mr. President, as I listened to Senators explaining their votes a little while ago I was reminded of something said by Elbert Hubbard which is a pretty good rule in life. He said, "Never explain. Your friends do not need it, and your enemies do not believe you anyway."

I have sought for some time to obtain the floor. I shall have something to say about this terrific menace. I will not be lulled to sleep by a 12-day respite. Neither will I be lulled to sleep by the appointment of a committee to investigate the housing situation in Kentucky and Tennessee. It is bad. There can be no question about that. We have the reports. We do not need much more evidence.

Mr. President, a great Democrat faced a situation such as this. His name was Woodrow Wilson. He faced a coal strike.

I wish to quote his words under conditions very similar to those which now confront us. This great leader, this man of courage, recognized that he was at the head of the greatest Nation on earth. Did he get on the fence? No. Let me read his language in relation to the coal strike which he faced.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. WILEY. Not at this time.

Woodrow Wilson said:

From whatever angle the subject may be viewed, it is apparent that such a strike in such circumstances would be the most far-reaching plan ever presented in this country to limit the facilities of production and distribution of a necessity of life and thus indirectly to restrict the production and distribution of all the necessities of life. A strike under these circumstances is not only unjustifiable; it is unlawful. \* \* \* I cannot believe that any right of any American worker needs for its protection the taking of this extraordinary step, and I am convinced that when the time and manner are considered, it constitutes a fundamental attack, which is wrong both morally and legally, upon the rights of society and upon the welfare of our country.

No attempt should be made to solve any problem with undue haste, or when one's thinking is not clear. But there is no evidence of undue haste in the United States Senate when it comes to consideration of a comprehensive solution of the strike and labor problem in America. I have been a Member of the Senate for almost 7½ years. From the beginning I have suggested a solution in the form of a pro-American labor program.

Today I was glad to hear the senior Senator from Illinois [Mr. Lucas] speak up for the Smith-Connally Act. Do Senators know how many times the President used the power conferred by that act? He seized 488 specified companies—4 in 1943, 185 in 1944, 73 in 1945, and 226 in 1946—under the authority of the Smith-Connally Act. Besides, he seized one railroad in 1943, one coal industry in 1943, and three coal industries in 1945. In 1943 there were 13 specified seizures under general powers, and one in 1944.

I ask unanimous consent that the exhibit which I have prepared be printed in the RECORD at this point as a part of my remarks.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

War Labor Disputes Act—Seizures pursuant to act of June 25, 1943 (Public Law 89, 78th Cong.)

Year	Number of Executive orders issued	Specified companies seized under Public Law 89	Unspecified companies or industries seized as a group under Public Law 89	Specified seizures under general powers
1943.....	7	4	{ 1 coal..... 1 railroad..... }	13
1944.....	25	185		
1945.....	23	73	{ 3 coal..... }	1
1946.....	3	226		
Total.....	58	488	{ 4 coal..... 1 railroad..... }	14

Mr. WILEY. I also ask that following the exhibit there be printed in the RECORD



ORD at this point a bill of particulars showing the names of the companies seized.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

*Instances under which seizure has been made under Smith-Connally Act as result of War Labor Board cases in which there was defiance of WLB decisions by employers or employees*

Company	Defiance by union or company	Period of seizure	Agency taking over
1. Toledo, Peoria & Western R. R.	Company	Mar. 21, 1942, to after war	ODT.
2. General Cable Co.	Union	Aug. 13 to 20, 1942	Navy.
3. S. A. Woods Co.	Company	Aug. 19, 1942, to —	Army.
4. Bituminous and anthracite coal mines	Union	May 2 to Oct. 12, 1943	Interior.
5. Atlantic Iron Works	Company	Sept. 3 to 22, 1943	WSA.
6. Bituminous and anthracite coal mines	Union	Nov. 1, 1943, to June 22, 1944	Interior.
7. 13 Letter Co.	do	Nov. 20, to Dec. 19, 1943	Army.
8. Western Electric	do	Dec. 19, 1943, to Mar. 23, 1944	Do.
9. Fall River Textile	do	Feb. 7 to 28, 1944	Do.
10. Ken-Rad Tube & Lamp Corp.	Company	Apr. 13 to May 25, 1944	Do.
11. Jenkins Bros.	do	Apr. 13 to June 15, 1944	Navy.
12. Montgomery Ward	do	Apr. 25 to May 9, 1944	Army.
13. Hummer Manufacturing Co.	do	May 21, 1944, to July 2, 1945	Do.
14. Philadelphia Transit Co.	Union	Aug. 3 to Aug. 17, 1944	Do.
15. Midwest Operators Association	Companies	Aug. 11, 1944, to (?)	ODT.
16. San Francisco Machine Shop	Union	Aug. 14, 1944, to (?)	Navy.
17. International Nickel Co.	do	Aug. 29 to Oct. 14, 1944	Army.
18. 69 bituminous mines	do	Aug. 31, 1944 to Feb. 24, 1945	Interior.
19. Cleveland Bronze	do	Sept. 5 to Nov. 7, 1944	Army.
20. Hughes Tool Co.	Company	Sept. 6, 1944 to (?)	Do.
21. Twentieth Century Brass Co.	do	Sept. 9 to Nov. 7, 1944	Do.
22. Farrell Cheek Steel	do	Sept. 25, 1944 to (?)	Do.
23. 8 Toledo companies (indus. not listed)	Union	Nov. 4 to Nov. 7, 1944	Do.
24. Cudahy Bros.	Company	Dec. 8, 1944 to (?)	Do.
25. Montgomery Ward	do	Dec. 28, 1944 to —	Do.
26. Cleveland Electric, Illinois	Union	Jan. 13 to Jan. 15, 1945	Do.
27. American Enka Corp.	Company and union	Feb. 18 to June 6, 1945	Do.
28. 235 bituminous mines	Union	Apr. 10 to June 14, 1945	Interior.
29. United Engineering Co.	do	Apr. 23, 1945	Navy.
30. 363 anthracite and 3 bituminous mines	do	May 3 to June 23, 1945	Interior.
31. Bituminous mines	do	May 4 to June 14, 1945	Do.
32. Cocker Machine Co.	Company	May 20, 1945 to (?)	Army.
33. Chicago truck	Union	May 23 to Aug. 16, 1945	ODT.
34. Gaffney Manufacturing Co.	Company	May 28, 1945 to (?)	Army.
35. Mary-Leila Mills	do	June 1, 1945, to (?)	Do.
36. Humble Oil Co.	do	June 6, 1945, to (?)	PAW.
37. Pure Oil Co.	do	do	Do.
38. Scranton Transit	Union	June 15 to July 8, 1945	ODT.
39. Diamond Alkali Co.	do	June 19 to July 19, 1945	Army.
40. Goodyear Tire & Rubber Co.	do	July 5, 1945, to (?)	Navy.

Mr. WILEY. In 1945 the President took over 235 bituminous mines, acting through the Secretary of the Interior. In the exhibit which I have prepared I have set forth the dates and the Government group or institution through which the President acted.

As I have stated, I have been a Member of the Senate for 7½ years, and I have seen the same kind of tactics which I witnessed today on the floor of the Senate. The Senator from Oregon [Mr. MORSE] has a great deal of what it takes. He rose and stated what he believed. I disagree with him with regard to much of his economic philosophy, but I honor and respect him because he has what the country needs today, and that is "guts." He has stated that we should pursue a certain course and find the solution, and that probably when we find it we shall not be very far apart. But we cannot find it by procrastination and delay.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. WILEY. I ask the Senator to allow me to finish. I have only three or four pages of notes. I have waited since 12 o'clock. I have stepped aside for a number of my colleagues. I shall be glad to yield for questions when I have finished.

Mr. President, during the 7½ years I have been a Member of this body I have seen the power of groups and labor leaders grow and increase to the point where it has become, as has been demonstrated in the past few months, a menace to the safety and security of this Nation.

I should like to read a synopsis of the decision of the court in *Howard v. Illinois* (207 U. S. 463), dealing with the power of Congress. We definitely exercised it in the Smith-Connally Act. I ask, as the senior Senator from Illinois asked, What would we have done without that act?

We know about the propaganda which was directed against it. We know that from the very start it was said it would cause more strikes. How ridiculous that statement was. It was like saying that a man who was walking down the street caused a bumblebee to sting him.

Mr. President, strikes were covered by that act, and by reason of its enactment the President of the United States exercised the authority conferred by it, as I have stated, approximately 450 times. Because he had that authority, he took possession of the industries concerned, and men worked when it was necessary that the strikes cease and that production be obtained.

Mr. President, I now read from the case to which I have referred:

On the contrary, the test of power—

The test of congressional power to regulate the relation of master and servant in connection with carriers—

is not merely the matter regulated, but whether the regulation is directly one of interstate commerce, or is embraced within the grant conferred on Congress to use all lawful means necessary and appropriate to the execution of the power to regulate commerce.

Mr. President, that is what Woodrow Wilson had in mind. But even if Wood-

row Wilson had never used that language, I say to you, Mr. President, that a republic is not less potent than an autocratic form of government when it comes to self-preservation. A republic has in it the inherent power to preserve its own vitality, and that is the power we are going to exercise—not in haste, not in hatred, but, I hope, with judgment. What we are seeing now in the case of the present coal strike is the result of the failure of the Democratic administration which has been in power for 13 years to read adequately the signs of the times, not only in America, but throughout the world. I say that the administration has sown the wind, and now America is reaping the disastrous whirlwind; or, to use another analogy—one which I have used on two other occasions during the last week—the administration's chickens are now coming home to roost.

The signs of the times show that government absolutism in the guise of fascism and communism has returned in the last two decades throughout the world to contest with the the republican or democratic forms of government for the possession of the earth. The administration did not read those signs.

Mr. President, these remarks of mine are not directed at minimizing what has been characterized as the very deplorable and un-American conditions in which the miners in Tennessee, Kentucky, and elsewhere exist. But such conditions do not justify a strike which cripples the Nation. One crime does not justify another crime. The housing and health conditions of the miners may call for action by State and Government, but by no process of reasoning do they call for building and creating more power in an individual, which results in jeopardizing the health and safety of the Nation.

My remarks are directed at 140,000,000 Americans and particularly at the Congress of the United States, who, in this terrifically challenging era, have not seen the trend of the times and have not done anything.

Right now we see ourselves in a fine how-do-you-do. It has been characterized as a labor-policy depression due to the synthetic, needless, and senseless attitude of the administration now in power. It is a depression because we cannot get consumers' goods—ranging from ordinary socks and stockings and shirts to automobiles and materials with which to build houses. We cannot get these things; though we have more purchasing power than all the rest of the world combined, and only a year has gone by since VE-day, and 8 months since VJ-day.

The American public is awakening to the fact that this condition is due primarily to the administration's statement that prices were not related to wages, and that wages could be hiked but prices would not have to increase, and to the application of the statement—which was swallowed hook, line, and sinker—to the effect that wages could be increased 25 cents an hour and prices would not have to be raised at all. That is the kind of philosophy that Henry Wallace and other leaders have preached to millions of our people.

Today, the men who won the auto strike and caused so much loss to the country are laid off because of the steel strike.

Those who won the steel strike cannot find work because of the coal strike.

The coal strikers complain of terrible housing and unsocial conditions, and they go on strike and put millions of people out of work—all over America—and prevent the making of relief shipments to starving Europe, and may cause serious suffering here at home.

But, Mr. President, we sit here, as the cartoon in the newspaper showed, twiddling our thumbs, tweedledeeing and tweedledumming, as the Senator from Washington [Mr. MAGNUSON] suggested earlier today. I say we sit here just twiddling our thumbs. The result is nil.

On top of that, the OPA, with its 60,000 or more strangulations without rhyme or reason, and without comprehending the picture, keeps on issuing diverse price ceilings—many of them relating to the same commodity, neglecting increased costs of labor and material, but "holding the line"—or, rather, pretending to hold it—with the result that production is penalized. So we cannot buy what we want to buy.

Then, to fool the country further, the Administration spokesmen get labor newspapers and others to say that "industry is on strike." And Bowles and others, at the people's expense, use the radio and the newspapers, scaring the people and calling all who oppose them "reactionaries."

Mr. President, for the speech I am making now, I shall be called an extreme reactionary.

Europe has inflation for one reason, above all, and that is because there is no production. America is getting inflation and black markets because we have too many road-blocks, interfering with our productive capacity.

All the pinks and Communists and radicals in America are in this picture up to their ears, creating disunity, confusion, and poisoning the minds of our people. But we sit back, wondering whether we should pass a law that has some iron in it. Oh, yes, Mr. President; they will say about me, "But he is antilabor." That will be said about a man who was raised in a town of 10,000 people, who worked in the sawmills, who painted houses, who sold books, who clerked in stores, who washed dishes to pay his board in the university. So they will say that I am antilabor. How can they say that I am antilabor, Mr. President? But the fact is that it is impossible for many of us to speak up and try to see through the mists and find a solution, without being accused of being anti this and anti that. But, Mr. President, the thing which is most helpful to me is the correspondence which comes to me and which is evidence that the people at the grass roots are, if I may be pardoned for using the expression, literally getting their bellies full with all this Government propaganda; they are becoming sick and tired of it, and at last they are beginning to see what the facts really are.

I wish to say that it requires iron in the blood, on the part of the adminis-

tration, to step into this picture, to get rid of the maladministration in OPA, to decontrol it as far as possible, and to start it on the road out, so that it will be at the exit point when production arrives.

Let this administration throttle the strike wave; it has the power. I have already stated and shown how it has been exercised upon 450 different occasions.

And let the Executive speak forthrightly to the people, saying that our labor laws must be reconditioned to meet the present era. The Wagner Act is outmoded now and outdated. It is only a one-way street. It served its purpose in its day.

Let the Congress speak with clarity and determination. No individual has the right to threaten the public security. When the public welfare is invaded by any individual or group, there is inherent in the Government the power to take corrective action. Such corrective action should not be used to set up more arbitrary power in any individual or group. Rather, it should be used to deprive any individual or group of the power to be arbitrary.

Mr. President, I restate my program in relation to the labor situation. It is as follows:

First, set up machinery for compulsory arbitration of disputes in all utilities and Nation-wide industries so as to prevent strikes. Require that all such disputes must go to appropriate courts for proper adjudication.

Second, set up complete machinery for mediation and voluntary arbitration in all other disputes.

Third, make unions equally responsible with corporations before the law for any contract violations and anti-trust-law violations.

Fourth, provide for democratic union elections and publicized finances.

Fifth, outlaw the use of force and violence in connection with any labor dispute or threatened dispute.

Sixth, outlaw illegal uses of the boycott.

Seventh, prohibit unionization of foremen who are legitimately a part of management.

Eighth, outlaw jurisdictional disputes between unions.

Ninth, prohibit taxation by unions of goods or services produced by private industry. Taxation alone belongs to Government. Under no disguise of royalty or any other name should Government delegate that power.

I call attention again to point 1, and I call the attention of the Senator from Oregon to this matter, because on this point we may differ:

First, set up machinery for compulsory arbitration of disputes in all utilities and Nation-wide industries so as to prevent strikes. Require that all such disputes must go to appropriate courts for proper adjudication.

Mr. President, it will be noted that compulsory arbitration would be at the end of the road. It would apply only to industries in which the public interest is at a maximum. It would apply only to strikes such as the ones which we are experiencing today, the present coal strike, for instance, which not only has upset

the economic life of our country, but has consequences which may cost billions of dollars to the Government and to its citizens. Compulsory arbitration is in the interest of public security, in the interest of public welfare, and in the interest of the general welfare. We must see to it that no individual or group has the power to jeopardize the welfare of the Nation. That is why there must be compulsory arbitration of disputes in all utilities and Nation-wide industries.

Mr. President, as we look into the international picture we see many threatening implications, not only in the immediate present, but in the future. If we fail now to pass appropriate legislation making sure that there will be no further strikes in our great national industries, we will fail in our duty. If it be true that the Communists are infiltrating—I saw a private report today on the subject which staggered me—particularly into the CIO, it does not mean that the CIO members are all Communists. But in the private report to which I have referred I saw a description of the technique which is used, the objective of which is literally to disorganize. There is inherent in this Government the power to put an end to these difficulties. The way to do so is by enacting legislation of a compulsory character, involving utilities and Nation-wide industries.

To be specific, this category would include transportation, electric-light plants, coal mines, the major food industries, and any others which might fit into the category, in any one of which if the operations of the industry ceased the public interest would be jeopardized.

Today we voted a large sum of money in order to revitalize international trade, that is trade between nations. Have we the "guts" now to vote for a bill which would revitalize our own economy and prevent any person or group from interfering with the united efforts of our 140,000,000 Americans? I repeat. Do we have the "guts," Mr. President? That is the issue. Individuals sitting in the galleries may have their own opinions and may voice them, but Members of the Senate are policy makers, and the policies which they make must stand the test of the crucial years ahead. In the years to come those policies must be adequate to whatever may be the emergency confronting the Nation. Mr. President, in this body there must be but one objective, namely, that of serving in the most efficient manner our country and the world. I have confidence that when we analyze the various proposals which will be laid before us next Monday and during the days to follow, we will be confronted with such a test, and will be forced to meet it.

Mr. President, I assert definitely that I have hope that out of the terrific experience which this Nation is undergoing we will come forth purified and strengthened. I hope it will be like a fever that cleanses but does not kill. However, I am not satisfied merely with expressing a hope. I believe it to be imperative that we write down in legislative enactment a definite labor policy which will say to ambitious fascist-



minded men and groups, "Thus far and no farther."

Mr. President, as I was sitting in my chair today there was handed to me an article by Arthur Krock, published on May 9, 1946. I ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A DO-ALL GOVERNMENT TURNS HELPLESS  
(By Arthur Krock)

WASHINGTON, May 8.—The great majority of the American people do not belong to labor unions or any of the groups which have lobbied in Washington for special privileges. Since 1933 these organizations have gained many more of their objectives than the "capitalist" lobbies did in the preceding years, and their causes have flourished in all the branches of the Government—executive, legislative, and judicial.

As a consequence, the general economy has been subordinated by law to the special interests of these groups, and the current example is the coal strike that has paralyzed the Nation and weakened the voice of the United States in foreign affairs. But up to this writing, the administration's position is that it can do nothing effective to stop the strike and its spokesmen in Congress either take the same attitude of helplessness or denigrate in advance the value of any corrective laws urged by other Members of Congress.

The unorganized, lobbyless popular majority must be surprised as well as angry at the spectacle of a government confessing and even asserting its impotence to abolish a situation brought about by previous government acts. The surprise would be as natural as the resentment because, since President Roosevelt took office, the size and power of the Federal Government has grown to vast proportions and the people have become accustomed to the idea that it can do everything. The Federal Government in those years has taken authority over an infinite number of details in the everyday life of every citizen. And this sweeping paternalism, expressed in favoritism for groups with organized voting strength, was established long before it was made complete by the advent of war.

The United States was at peace when the Federal Government, controlled in all three branches by one political party with special group interests in mind, broke down State lines, overrode a strong minority and reached into the daily occupations of all citizens. Although the extension of authority through war powers was necessary, and was granted by almost common consent, the people had grown accustomed to a powerful central government which looked out for everything if not for everybody. Therefore, the inertness and handwringing at Washington now, in the presence of a desperate emergency, must come as a surprise to millions of citizens if they really believe that the conditions their public servants have created cannot by these same public servants be challenged, and through the same legal processes.

It is quite true, of course, that the public majority, which is the immediate victim of these conditions, permitted, and, in many instances, encouraged their servants in office to pass the laws and allow the administrative acts that are at the base of the trouble. But this public majority was played on by skillful politicians and divided into minorities. The question now is whether it can or will reunite in time to compel action to repair the greater part of the national damage that has been done.

A survey of some of the powers that have been voted to the central Government since 1933 supports the opinion that the American people must be surprised to be told that it is helpless before the labor leaders and does not know how to cure its impotence. In that period the Federal system has been given authority to do these things:

Use public funds from taxation to take care of cripples, the blind, indigent mothers and dependent children in every State. Provide unemployment compensation and old-age benefits. Require employers to engage in collective bargaining with employees, with penalties for nonconformance but none for nonconformance by the employees. Prevent employers from saying or doing anything to encourage or discourage membership in any labor organization, but with no restrictions on employees against doing or saying what they may choose to injure an employer's business. Protect as sacred the right of workers to strike, whatever the industry or its relation to public health and security. Leave to a board, appointed by the President, full power to interpret prolabor laws with only limited recourse to courts appointed by the President also.

Set up an "ever-normal" granary to keep supplies of nonperishable stocks stored on the farms as insurance against shortages or violent price fluctuations. Maintain farm prices at an artificial parity through subsidies and other means. Decree by the bounty system the slaughter of hogs and cattle and limit the acreage in specified crops.

Insure all bank deposits. Use the national revenues for housing loans. Cancel the gold clause in all Federal and private obligations and make them payable in legal tender. Change the purchasing power of that legal tender at will. Fix interest rates at will. Create public power systems such as the Tennessee Valley Authority.

Exempt from antitrust laws all agreements made under the National Recovery Administration Act. Exempt labor unions from these laws. Fix prevailing wages, hourly limits of work for the day and week and time-and-a-half for overtime. Set minimum wages for goods in the flow of interstate commerce. Enlarge the interstate commerce and general welfare clauses of the Constitution until State boundaries have become dotted lines.

Many of these powers were necessary, beneficial and overdue. The point is that a Government which sought and received them to deal with lesser problems shrinks from using or supplementing them to avert a national disaster.

Mr. BARKLEY obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. KNOWLAND. Mr. President, I disagree with some of the statements which have been made today to the effect that there is more important legislation than that which is before us as the unfinished business of the Senate. In my opinion, no legislation of greater importance could be pending before the Senate of the United States. If we are to be enabled to fight the serious inflationary dangers now threatening our people, it will be necessary to achieve full production at once.

The coal strike which we have just gone through appears at the present moment, at least, to have moved into a truce until the 25th of May. Unless the controversy can be settled, and the stoppage of production avoided, we will be

faced with a very critical inflationary program.

Mr. President, the Congress, as well as the President, have responsibilities which cannot and must not be set aside or evaded. With power must go responsibility. Since there are apparently men who are holding positions of power in this Government who do not recognize this fact, it is the obligation of the Government of the United States to act, and act promptly. That can be done, and must be done without impairing the legal rights of labor. The workingmen of this country have made great advances. As the productivity of our Nation increases, labor must be protected by law in its right to bargain collectively for a greater share of the fruits of production. The coal strike should not be used as a vehicle for legislation which would unjustly impair the rights to which I have referred. But, Mr. President, no union, no industry, no one man or group of men on any side of any issue, economic or political, is greater than the United States of America.

This issue must be squarely met head on. It must be met here and now. Government must function, or abdicate. I predict that so long as we have a voice or a vote in the Senate of the United States, the Government of the United States will not abdicate on such an issue.

WAR ASSETS ADMINISTRATION—DISPOSAL OF SURPLUS PROPERTY

Mr. MORSE. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. MORSE. First, before proceeding with the remarks I have in mind to make, I wish to express myself as desiring to be associated with the remarks which the Senator from California has just made.

Mr. President, because the hour is still early, I should like to address myself very briefly to a problem affecting the War Assets Administration. The RECORD shows that several days ago the Senator from North Dakota [Mr. LANGER] submitted a resolution calling for a Senate investigation into the disposal of surplus property. At that time I spoke in support of the position taken by the Senator from North Dakota, and called attention to what I considered unquestionably to be violations of the law by the War Assets Administration in its present policies with regard to the disposal of surplus property. Some days thereafter the Senator from Virginia [Mr. BYRD] made a speech on the floor of the Senate in which he also called attention to the need of governmental action in connection with the policies of the War Assets Administration, insofar as those policies related to the disposal of surplus property.

However, Mr. President, I am sure that as the days go by each Member of the Senate accumulates through his mail and through the complaints which he receives from his constituents, more and more evidence concerning the activities of the War Assets Administration. I do not believe that the long recess which is about to be taken by the Senate over the

week end should be taken without some Member, during the closing minutes of the session, again serving notice on the administration that some steps should be taken to investigate the policies of the War Assets Administration.

Until the administration takes the necessary steps in support of the resolution pending for an investigation of certain governmental policies, it must continue to face the charge which I made the other day, and which I now repeat, that on the record it is afraid to meet the investigation called for by the resolution to which I have referred. If the administration is not afraid to meet these investigations, then it should join forces with us and see to it that steps are taken to sift the true from the false. As I have said previously, there is no doubt that a great many false charges are made, a great many complaints are filed with us that cannot be substantiated in fact. Those of us who take the time from our many other duties to trace some of these complaints find that some of them cannot be substantiated.

What we need in connection with the proposed investigation of the War Assets Corporation, as well as the proposed court-martial investigation, in regard to which I have pleaded for help with the Democratic Senators on the floor of the Senate for months past, is some support from the administration so that we may ascertain for the American people what the facts are. They are entitled to know the facts. Members of the Senate and the administration are responsible to the people to make certain what the facts are.

We constantly encounter the barrier of opposition every time any Senator on this side of the aisle proposes a resolution to investigate some of the complaints which have been presented to us. Consider the roll calls on such resolutions. The result is that we cannot get support from Democratic Senators to proceed with the investigations. The resolutions lie buried in committee. We plead time and time again for the committee to report them to the Senate. Perhaps we have reached such a stage in the Senate that we must for the record proceed to move to discharge a series of committees which have these resolutions. I hope that time has not come. I serve notice now, Mr. President, for the record, that insofar as the resolutions to which I have been a party are concerned, I shall start next week to move to discharge the committees to which they have been sent unless those committees can give me some assurance that serious consideration is being given to the resolutions.

In closing my remarks on the War Assets Administration's activities, I wish to put into the body of the RECORD as a part of my remarks a letter which I have received from a manufacturer in the State of Oregon who makes trailers, sold principally to farmers. There is a great shortage of farm vehicles of all types, and one of the greatest shortages is the shortage in trailers.

Senators will see as they read the letter and the supporting photostat copies of other correspondence and af-

fidavits that the charge is that the manufacture of wheels in this country is pretty much a monopoly. After the war there was a great quantity of wheels in the possession of the United States Government, but somehow those wheels for the most part have now come into the possession of the manufacturers of wheels and the War Assets Administration has not made possible the distribution of the wheels to small manufacturers, such as the small trailer manufacturing plant in Oregon, and has not made the surplus wheels in the possession of the Government available to potential purchasers other than the major manufacturers of wheels.

Mr. FERGUSON. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. FERGUSON. Under what priority would the War Assets Administration dispose of the wheels to the manufacturers?

Mr. MORSE. I have not the slightest idea. I think that is one of the questions which should be investigated under the resolution now pending. I am not familiar with all the jurisdictional powers of the Mead committee, of which the Senator from Michigan is a very able member, but if it is possible for the Mead committee to proceed with an investigation of the procedures and the policies of the War Assets Administration, I respectfully suggest that the committee should do so, and I am sure the Senator from Michigan, if the power rests with the committee, will agree with me on that point.

I think the junior Senator from New York [Mr. MEAD], who is chairman of the Mead committee, should take the necessary steps to ascertain, for the benefit of the Senate and the American people, what the facts are in connection with the disposal of surplus property.

I ask unanimous consent, Mr. President, to have printed in the RECORD as a part of my remarks a copy of the letter to which I have referred in connection with the surplus wheels owned by the Government, and supporting correspondence and affidavits bearing out the allegation made by the writer of the letter.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

A. YOUNG & SON IRON WORKS,  
Portland, Oreg., May 6, 1946.

Senator WAYNE L. MORSE,  
Senate Office Building,  
Washington, D. C.

DEAR SENATOR MORSE: These are the photostatic prints of the purchase orders and correspondence relating to the surplus wheels which our firm had on order with the Department of Commerce, about which Mr. R. W. Duke spoke.

Very truly yours,

JOS. M. FOUGHT,  
Superintendent.

THE DEARBORN INN,  
Dearborn, Mich., May 5, 1946.

Senator WAYNE L. MORSE,  
United States Senate Office Building,  
Washington, D. C.

DEAR SENATOR: As per our conversation, I will endeavor to comply with your request regarding surplus, and the monopoly which exists in the automotive wheel industry.

As you know, our firm purchased automobile wheels from the surplus bureau (when it was under the RFC). Of course, these wheels were for sale by the surplus board on a fixed-price basis. They (the surplus division) sent out a catalog describing the items that were for sale, at the regular list price less 84 percent for small manufacturers. We immediately enclosed a check for the amount to cover our order; this was in September 26, 1945. From then on we have received first one letter after another explaining why we were not getting our wheels, or why we haven't received back our money. By this writing you should have received our photostatic copies of the check and the various letters—also the order.

We are manufacturers of two-wheel agriculture trailers. Our need for wheels is very acute. We employ around 80 men, and it is impossible for us to keep our shop operating. For the lack of wheels we will lose thousands of dollars; in fact, we stand to lose close to a quarter of a million dollars. Our effort to purchase wheels from the manufacturer meets with the reply that they are in no position to supply us, the automotive industry is absorbing their entire production. However, I, personally, know this to be untrue, as they are supplying the manufacturers in the East and letting the west-coast manufacturers hang on the limb. The manufacturers of automotive wheels, namely Kelsey Hayes, Motor Rim & Wheel, and Budd Wheel hold a monopoly on automotive-wheel manufacture because they are the only ones that manufacture wheels.

In fact due to the pressure brought on by these manufacturers on the Surplus Board all of these wheels have disappeared from the surplus list, causing small firms like ourselves to either go out of business, or shut up our shops till they get ready to release wheels to us.

I am sure that the surplus board had and still has thousands of the automotive type wheels in their warehouses. Why they, after announcing and sending thousands of pieces of literature to manufacturers, withdraw these wheels, lies only in the fact that the big industrialist such as the powerful automotive wheel manufacturers can bring such great pressure to bear on the regimentation minded bureaucrats in executive capacity in Washington. Plainly speaking, we, the small manufacturers, are held by our umbilical cord (by these big fellows) and are slowly being strangled.

Sincerely,

RUSSELL M. DUKE.

MARCH 8, 1946.

WAR ASSETS CORPORATION,  
Seattle, Wash.  
Attention: W. C. BARNUM, Chief,  
Automotive Parts Section.

GENTLEMEN: Referring to your letter of March 6, we desire to cancel our purchase order 17982, your Surplus Property order No. 11-11.

This order was paid by check No. 1590 on October 25, 1945 in the amount of \$2,965.00, and it will be greatly appreciated if you will arrange prompt refund.

Thanking you, we are

Very truly yours,

A. YOUNG & SON IRON WORKS.

RECONSTRUCTION FINANCE CORPORATION,  
OFFICE OF SURPLUS PROPERTY,  
Seattle, Wash., November 19, 1945.  
A. YOUNG & SON IRON WORKS,  
Portland, Oreg.

GENTLEMEN: The great influx of orders for automotive parts, accessories, and assemblies, as the result of our national advertising campaign, has overwhelmed our organization. It has become necessary for our headquarters to provide additional sources of surplus, so that you and other surplus automotive-part



buyers will receive substantial shipments on your orders.

This office appreciates your order and will do everything possible to expedite its complete delivery. However, due to many unforeseen conditions, it is impossible at the present time to forecast this delivery in less than 60 days.

Unless we are otherwise advised by you, we will arrange to ship from available inventory all items possible and back order the unfilled portion of your order. The back-order items will then be shipped as additional surplus is declared. No back orders will be held longer than 90 days after initial shipment is made.

This office realizes the seriousness of the situation and feels that you should know the facts regarding the possibility of delivery.

Very truly yours,

O. C. BRADEEN,  
Regional Director.

DEPARTMENT OF COMMERCE,  
OFFICE OF SURPLUS PROPERTY,  
Detroit, Mich., October 16, 1945.

Mr. RUSSELL W. DUKE,  
Metal Service and Supply Co.,  
Portland, Ore.

DEAR Mr. DUKE: Attached hereto find copy of reply to Senator Morse, which is self-explanatory.

This office wishes to assure you that your order will be given preferred attention as soon as received from the Seattle office.

Very truly yours,

W. P. BAUGHMAN,  
Director.

RECONSTRUCTION FINANCE CORPORATION,  
OFFICE OF SURPLUS PROPERTY,  
Seattle, Wash., January 2, 1946.

A. YOUNG & SON IRON WORKS,  
Portland, Ore.

(Attention: Mr. Burke.)

GENTLEMEN: We are in receipt of advice from our Detroit office that the items ordered on our order 11-11 are not available at this time but they will hold the order and ship same as soon as available or notify you within a 60-day period if same is not to be available.

Very truly yours,

W. C. BARNUM,  
Chief, Automotive Parts Section.

DEPARTMENT OF COMMERCE,  
OFFICE OF SURPLUS PROPERTY,  
Detroit, Mich., October 16, 1945.

Senator WAYNE MORSE,  
Washington, D. C.

DEAR SENATOR MORSE: This will acknowledge receipt of your letter of October 9, 1945, and advise that this office has not as yet received the order referred to in Mr. Duke's wire to you, dated October 5, which is returned herewith in accordance with your request.

This office is at a loss to understand why anyone should advise Mr. Duke that delivery of his order will be delayed for anything like 120 days and, particularly, that the delay will occur in Detroit. Conversely, it is estimated that, after receipt by this office, shipping instructions will be issued within five working days. The length of time it will take for delivery is, of course, dependent upon the location from which shipped, but, regardless of location, there is no reason why delivery should not be made within approximately 30 days and considerably earlier if the shipping point is favorably located.

You may depend upon the best efforts of this office to expedite the handling of Mr. Duke's order when received from the Seattle office.

Yours sincerely,

W. P. BAUGHMAN,  
Director.

DEPARTMENT OF COMMERCE,  
OFFICE OF SURPLUS PROPERTY,  
Detroit, Mich., October 16, 1945.

DEPARTMENT OF COMMERCE,  
Office of Surplus Property,  
Seattle, Wash.

Attention: Automotive Division.

GENTLEMEN: The attached copies of letters are self-explanatory.

This office is concerned over the statement apparently made by someone in your office to the effect that Mr. Duke's order will remain in Detroit for approximately 120 days. The statements made in the letter to Senator MORSE express the opinion of this office in the matter.

This office will be happy to give Mr. Duke's order preferred attention upon receipt from your office.

Very truly yours,

W. P. BAUGHMAN,  
Director.

WAR ASSETS CORPORATION,  
CONSUMERS GOODS DIVISION,  
OFFICE OF SURPLUS PROPERTY,  
Seattle, Wash., March 6, 1946.

A. YOUNG & SON IRON WORKS,  
Portland, Ore.

Attention: Mr. Duke.

GENTLEMEN: Please refer to our letter of January 2 in regard to surplus property order 11-11.

We find that this material is not as yet available and we would appreciate your advising if you desire us to cancel at the present time, or do you wish to have the order held and screened at regular intervals, to be shipped if found available.

Very truly yours,

W. C. BARNUM,  
Chief, Automotive Parts Section.

(The following three exhibits are omitted from the RECORD: Order and contract of Department of Commerce—Office of Surplus Property. Canceled check of A. Young & Son Iron Works, Portland, Ore. Purchase order of A. Young & Son Iron Works, Portland, Ore.)

Mr. MORSE. Mr. President, I close my remarks by saying again, in all sincerity, that I think that on such matters as those involved in the resolutions to which I have referred there should be no partisanship in the Senate of the United States. I think each and every Member of the Senate should be as anxious and as interested as I am in trying to find out what is going on in connection with the various departments of the Government to which the resolutions refer.

Again I invite my friends on the Democratic side to join forces with those of us on this side who believe that we should have some channelizing of the various complaints which are presented to us in regard to activities of these agencies, so that we can stop the very wasteful procedure which now prevails, namely, that 96 of us, in fact, are constantly filing our complaints with the various agencies of the Government. We meet with varying success in regard to them, whereas efficient administration of government, it seems to me, calls for the channelizing of these complaints through the types of committees called for by the resolutions, in order that we may not only find out what the facts are, but in order that we may prevent the great abuses which I am sure such investigations will disclose.

#### EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

#### EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. HOEY, from the Committee on the District of Columbia:

John Russell Young, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years, and until his successor is appointed and qualified.

By Mr. WALSH, from the Committee on Naval Affairs:

Sundry naval aviators of the Marine Corps Reserve to be second lieutenants in the Regular Marine Corps.

By Mr. LUCAS, from the Committee on Foreign Relations:

Executive D, Seventy-ninth Congress, first session, a convention between the United States of America and the United Kingdom of Great Britain and Northern Ireland, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Washington on April 16, 1945 (Ex. Rept. No. 4); and

Executive E, Seventy-ninth Congress, first session, a convention between the United States of America and the United Kingdom of Great Britain and Northern Ireland, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on the estates of deceased persons, signed at Washington on April 16, 1945 (Ex. Rept. No. 5).

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

#### UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the Public Health Service.

Mr. BARKLEY. I ask that the Public Health nominations be confirmed en bloc, and the President notified at once of the confirmations.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed, and the President will be forthwith notified of the confirmations.

#### RECESS TO MONDAY

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 9 minutes p. m.) the Senate took a recess until Monday, May 13, 1946, at 12 o'clock meridian.

#### NOMINATIONS

Executive nominations received by the Senate May 10 (legislative day of March 5), 1946:

#### DEPARTMENT OF STATE

Charles Fahy, of New Mexico, to be Legal Adviser to the Department of State.

## DEPARTMENT OF THE INTERIOR

Warner W. Gardner, of New York, to be Assistant Secretary of the Interior vice Michael W. Straus.

C. Girard Davidson, of Oregon, to be Assistant Secretary of the Interior vice Oscar L. Chapman.

## UNITED STATES MARITIME COMMISSION

Vice Admiral William Ward Smith, of New Jersey, to be a member of the United States Maritime Commission for the unexpired term of 6 years from April 16, 1943.

## COLLECTOR OF CUSTOMS

Nan Wood Honeyman, of Portland, Oreg., to be collector of customs for customs collection district No. 29, with headquarters at Portland, Oreg. (Reappointment.)

## CONFIRMATIONS

Executive nominations confirmed by the Senate May 10 (legislative day of March 5), 1946:

UNITED STATES PUBLIC HEALTH SERVICE  
APPOINTMENTS AND PROMOTIONS IN THE  
REGULAR CORPS

To be senior assistant engineer, effective date of oath of office

Russell W. Hart

To be medical directors, effective date indicated

William Y. Hollingsworth, May 24, 1946.

Leo W. Tucker, June 15, 1946.

To be dental directors, effective date indicated

William T. Wright, Jr., April 1, 1946.

Frank C. Cady, May 13, 1946.

To be senior assistant sanitary engineer, effective date indicated

Harvey F. Ludwig, November 25, 1925.

To be temporary surgeons

Frederick H. Hall

Ralph Porges

James L. Southworth

To be temporary senior assistant surgeon

Arthur M. Pettler

## HOUSE OF REPRESENTATIVES

FRIDAY, MAY 10, 1946

The House met at 11 o'clock a. m.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, who art the inexhaustible source of all our blessings, we beseech Thee that in our thoughts and toils during this day we may have the interpreting light and sustaining presence of Thy spirit.

May every thought, word, and deed be brought into a glad obedience to the mind of Christ, and may we hold our own desires and wishes in suspense until Thou dost declare Thy will.

Inspire us to labor faithfully and diligently while it is day, for the night cometh when no man can work. May there be nothing in this day of which we shall be ashamed when the sun has set.

Grant that at the eventide of life when Thou dost call us to Thyself we may receive the benediction which Thou dost bestow upon all who have lived by faith,

labored in faithfulness, and walked in the fear of the Lord.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

## IOWA LEADS IN HIGHWAY SAFETY

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? There was no objection.

Mr. DOLLIVER. Mr. Speaker, I rise this morning to inform the House that in top place among the States in traffic safety is the State of Iowa. This recognition was given yesterday at the President's Highway Safety Conference and the award was received by the Honorable Kenneth Evans, Lieutenant Governor of Iowa.

This is an honor and distinction, and we of Iowa take great pride in the fact that on our highways we have demonstrated the most effective regard for human life by holding highway accidents to the lowest minimum in the entire country.

Iowa's record, it seems to me, in addition to competent and effective enforcement of law, is due to at least two factors: First, the highways of the State were carefully engineered with safety in mind. The highways are straight; such curves as there are, are banked and wide; the paved portion of the highway is widened by broad shoulders and gently graded ditches; the bridges are generally wider than the paved highway itself; the markings of the highway are clear and intelligible. Thus, one important factor in the record of highway safety for Iowa is the engineering skill and patience which was put into our highways. The second factor is the safety-consciousness of our people. Over a long period of time, through private and public agencies, highway safety has been a watchery in our State. Under the leadership of the American Legion and other civic-minded agencies, the highway safety program has been emphasized and reemphasized in every corner of Iowa. In addition to this, the public agencies of the State have taken seriously their responsibility to make Iowa's highways the safest in the Nation. This public consciousness has resulted in the granting of this splendid recognition to the State of Iowa.

I am sure the members of the House will join with me in congratulating the people of the State of Iowa for their splendid safety record, so completely recognized by the President's Highway Safety Conference.

## SETTLEMENT OF COAL STRIKE

Mr. BUCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BUCK. Mr. Speaker, during the past week the House Committee on Labor has been considering minimum-wage legislation, and that at a time when the coal strike has been increasingly paralyzing the country.

This morning I made a motion that that committee set aside its consideration of minimum-wage legislation and devote itself to ways and means of settling the coal strike. The gentleman from Michigan [Mr. Hook] made a point of order against my motion which the Chair naturally had to sustain in view of the fact that no quorum was present.

Nero fiddled while Rome burned.

## OPA

Mr. MCGREGOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

Mr. MCGREGOR. Mr. Speaker, several weeks ago we were all familiar with the activities of the pressure group known as the PAC to impress upon Members of Congress, I think erroneously, that the people of America wanted a continuation of the OPA, even with its known mismanagement and inconsistent rules and regulations.

I have always taken the position that when the people got ready to make known their opinions and their desires we would hear from them and without the aid or suggestion of any pressure group. This morning I am in receipt of a telegram from Newark, Ohio, addressed to me, which I quote:

An employee vote on OPA shows 1 neutral, 1 for, and 19 against. Vote not influenced by employer, CIO, or the PAC.

## THE PAC PURGE

Mr. BENNETT of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BENNETT of Missouri. Mr. Speaker, members of the CIO Political Action Committee meeting in convention at Atlantic City, N. J., May 9, named 10 Senators and 22 Representatives on whom they will center their efforts to beat for reelection this year. Four of Missouri's 13 Congressmen are on the purge list. They are ROGER SLAUGHTER, Democrat, of Kansas City; MAX SCHWABE, Republican, of Columbia, Mo.; WALTER C. PLOESER, Republican, of St. Louis; and MARION T. BENNETT, Republican, of Springfield, Mo. The CIO-PAC, headed by Sidney Hillman, is meeting with two other left-wing organizations to plan joint action against these Congressmen. The two other groups are the National Citizens Political Action Committee, which has the same officers as CIO-PAC, and the Independent Citizens Committee of the Arts, Sciences, and Professions, headed by Harold Ickes. These political



organizations have split up three ways in order to get around the law which prohibits any one national political committee from raising more than \$3,000,000.

When informed of the action of the convention, I issued the following statement to the press:

I would have been greatly embarrassed if they had endorsed me because it would have been the kiss of political death. The CIO-PAC was financially active on behalf of my opposition in 1944 when I was elected by a total majority of 17,710, carrying every county in the district and leading the ticket. I hope these smear artists spend twice as much money in my district as they did before because my constituents need it and will still vote as they please without advice from Sidney Hillman and his New York Communists, who are, in my opinion, public enemies No. 1. The issue in the district is now clearly drawn, and we will fight it out on this line. I will be on the side of the small businessman, the farmer, the white-collar worker, the laborer, and all of those who want to keep America American.

#### EXTENSION OF REMARKS

Mr. MCGREGOR asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. HOWELL asked and was given permission to extend his remarks in the Appendix of the RECORD and include a short editorial.

Mr. LYNCH asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. KLEIN asked and was given permission to extend his remarks in the RECORD and include a talk which he delivered last night over the Columbia Broadcasting System.

Mr. TARVER asked and was given permission to extend his remarks in the RECORD and include a speech made last night by the Honorable DWIGHT L. ROGERS, of Florida, over radio station WWDC on the subject of terminal leave pay.

Mr. THOM asked and was given permission to extend his remarks in the RECORD and include a statement from the Browning, King Co., of New York City, on the clothing supply in England.

#### PREVENTION OF INTERFERENCE WITH INTERSTATE OR FOREIGN COMMERCE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to take up for consideration at this time the bill (H. R. 5114) to prevent interference with interstate or foreign commerce and to prevent interference with public utilities serving communities engaged in interstate and foreign commerce, which has to do with the settlement of strikes so far as public utilities are concerned.

The SPEAKER. The Chair will not recognize the gentleman for that purpose.

#### CONCESSIONS MADE BY CERTAIN DETROIT UNIONS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I call the attention of the Members of the House to a concession made by some of the teamsters' unions of Detroit. They have conceded that they will soften their demands made of the small businessman, the independent ice dealers and the retail merchants. They have finally concluded they will not ask the employers to pay \$5 a month and join the union. Perhaps the reason is that it is going to be difficult to get collective bargaining when employer and employee belong to the same union. I do not know how that would work out under the Wagner law. How can a group bargain when all are members of the same union under the NLRA which provides for collective bargaining; employers cannot join a union.

I notice the majority leader is present. I would like to have him look up those amendments to the Wagner law I offered first in 1939 and again in January of this year and get out a rule for House action on them. The administration has been stalling since January of '37.

The SPEAKER. The time of the gentleman from Michigan has expired.

#### SPECIAL ORDER GRANTED

Mr. GIBSON. Mr. Speaker, I ask unanimous consent that after disposition of matters on the Speaker's table today and at the conclusion of any special orders heretofore entered, I be permitted to address the House for 25 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

#### THE EFFECT OF THE COAL STRIKE

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, what happens when the country runs out of coal?

In the State of Illinois there are 35 cities in which 25 percent of all the industrial employees are out of work. There are another 30 cities where 63½ percent of the industrial employees are out of work.

In 44 cities 110,000 men are working on a 24-hour-a-week basis. Sixty-seven thousand are completely unemployed. In the city of Peoria, out of 36,000 industrial workers, 14,000 are out entirely, and 22,000 are on a 24-hour-a-week basis. Out of 7,000 retail employees, 4,200 are on a 24-hour-a-week basis.

That is the result of a paralyzing Nation-wide coal strike. I trust another body may this day get busy and take up where we left off 90 days ago, on the 7th of February 1946.

The SPEAKER. The time of the gentleman from Illinois has expired.

#### EXTENSION OF DRAFT ACT

Mr. MAY. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Joint Resolution 159, to extend the Selective Training and Serv-

ice Act of 1940, as amended, to July 1, 1946.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. HOFFMAN. Mr. Speaker, at the request of the gentleman from Nebraska [Mr. BUFFETT] who has left the Chamber for a moment, I object.

Mr. MAY. Mr. Speaker, will the gentleman withhold that for a minute?

Mr. HOFFMAN. Yes.

Mr. MAY. Until I make an explanation.

Mr. HOFFMAN. Would the gentleman withhold that until the gentleman from Nebraska [Mr. BUFFETT] returns in about 5 minutes.

Mr. MAY. Mr. Speaker, that is satisfactory to me if it is agreeable to the Speaker. The gentleman from California [Mr. JOHNSON] is a member of the committee, and the gentleman from New Jersey [Mr. THOMAS], also a member of the committee, are both here.

#### CALL OF THE HOUSE

Mr. THOMAS of New Jersey. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. MCCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

#### [Roll No. 112]

Adams	Gearhart	Patrick
Allen, Ill.	Geelan	Patterson
Anderson, Calif.	Gillie	Peterson, Fla.
Baldwin, Md.	Grant, Ala.	Phillips
Baldwin, N. Y.	Grant, Ind.	Price, Fla.
Barrett, Pa.	Griffiths	Rains
Barry	Hale	Rayfield
Bell	Harless, Ariz.	Reece, Tenn.
Bender	Harness, Ind.	Rizley
Biemiller	Hart	Rodgers, Pa.
Bland	Hébert	Roe, N. Y.
Bonner	Hendricks	Russell
Bradley, Mich.	Herter	Sadowski
Buckley	Hinshaw	Sasser
Butler	Hoch	Sheppard
Cannon, Fla.	Jarman	Sikes
Carlson	Johnson, Ind.	Somers, N. Y.
Celler	Kee	Stevenson
Cochran	Keogh	Stewart
Coffee	Kilday	Summers, Tex.
Cole, Kans.	Kirwan	Thomas, Tex.
Combs	LaFollette	Tolan
Cooley	Landis	Torrens
Courtney	Lane	Vinson
Curley	Lea	Voorhis, Calif.
Daughton, Va.	McCowan	Wasielewski
Dawson	McKenzie	Welch
Dingell	Madden	White
Drewry	Maloney	Whitten
Durham	Mansfield, Tex.	Whittington
Eaton	Merrow	Wilson
Elsaesser	Miller, Calif.	Wolfcott
Engle, Calif.	Monroney	Wolfenden, Pa.
Fuller	Morgan	
Gardner	Morrison	
Gavin	Norton	

The SPEAKER. On this roll call 324 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

#### EXTENSION OF DRAFT ACT

The SPEAKER. The gentleman from Kentucky [Mr. MAY] has asked unanimous consent for the present consideration of House Joint Resolution 159, to

extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946. Is there objection?

Mr. SHERIDAN. Mr. Speaker, I reserve the right to object.

Mr. MAY. Mr. Speaker, will the gentleman withhold that for a minute?

Mr. SHERIDAN. Mr. Speaker, I withhold it for a minute.

Mr. MAY. I would like to make a very brief statement for the information of the House. This joint resolution will continue in effect the Selective Service Act until the first day of July. The situation in another body is such that it was not able to take up the act that we passed and sent over there. The bill as written contains a provision which authorizes the President of the United States to seize plants in time of war. Everybody undoubtedly knows the serious situation that prevails throughout the country at this time in one of our basic industries. If the act is permitted to expire he will lose the authority that is given under the military statute. I hope there will be no objection.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. SHERIDAN. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. I would like to ask the chairman of the Committee on Military Affairs if the report we read in the press, and that is the only information available to the Members of the House regarding this Senate resolution, stating that one of the reasons for the passage of this resolution is to give the President authority in the coal strike, is correct?

Mr. MAY. The reason for passing the resolution, and the thing it does, is to extend the Selective Service Act which contains a provision that does authorize the President under certain circumstances to seize a plant. The chief objective, however, is to continue the selection of men for our armed forces.

Mr. BRADLEY of Pennsylvania. I want to make the observation, Mr. Speaker, that it is altogether inconsistent, it is a bit cowardly on the part of the Congress, to extend the draft law and say to the mothers of this country that because some one proposes a strike we have to take their boys into the military service.

Mr. MAY. The gentleman from Pennsylvania knows that no one on this floor has been more determined in his efforts than I to protect the 18- and 19-year-old boys; but the situation is such that this is merely a temporary stop-gap to enable the legislation to be considered in another body.

Mr. BRADLEY of Pennsylvania. It is also tying up the future of these boys with the threat of a coal strike. There is no justification for penalizing the youth of our Nation because of industrial conditions.

Mr. MAY. It is tying that up, yes; unless I can get the other body to take up and dispose of the pending legislation there in which we can write the necessary provisions that will protect the very thing the gentleman wants protected.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. SHERIDAN. I yield to the gentleman from Louisiana.

Mr. BROOKS. May I call the gentleman's attention to the fact that the re-employment rights of veterans are also involved, and they will lapse unless some stop-gap resolution is passed.

Mr. SHERIDAN. Mr. Speaker, that is a Senate obligation.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

Mr. SHERIDAN. Mr. Speaker, I object.

Mr. McCORMACK. Mr. Speaker, it is very apparent that quick action is necessary. I recognize that many Members probably will want time to discuss this important question. Therefore, I ask unanimous consent that it be in order on Monday next to consider the resolution, and that general debate be allowed for either 1 or 2 hours, to be controlled one-half by the chairman of the committee, and one-half by the ranking minority member. The purpose of that would be to obviate the necessity of applying for a rule because of the urgency of the situation.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. REED of New York. Mr. Speaker, reserving the right to object, the gentleman spoke about 1 hour for debate on this important question. Is that the limit of debate?

Mr. McCORMACK. I said 1 or 2 hours. I will make it 2 hours so that it will be specific. Mr. Speaker, I ask unanimous consent that general debate continue for a period of 2 hours, to be controlled as provided for under the rules of the House.

Mr. SHORT. I think that is fair and generous, and there should be no objection to it.

Mr. SMITH of Ohio. Reserving the right to object, I would like to ask the gentleman from Massachusetts why it is necessary to tie these two propositions together? If you want the President to have the authority to seize these plants, why do you not bring in a resolution specifically providing for that?

Mr. McCORMACK. Frankly, answering the gentleman's question, I do not consider they are both tied together. We have a practical situation where the present selective-service law expires on May 15, and, so far as I am concerned, this is to meet the main question on the extension of it pending consideration of legislation in the other branch. Legislation has already passed this body. I do not consider the power to seize mines, for example, the primary question. The question is involved, but I do not consider it the primary question. My unanimous-consent request simply means this: It obviates and settles the matter for Monday so that Members will know, and without the necessity of it going to the Committee on Rules this afternoon. I am requesting 2 hours of general debate, and it comes up under the regular rules of the House.

Mr. SMITH of Ohio. I do not intend to delay any action that the House wishes to take on this matter, do not misunderstand me, but I do not think that the proposition the gentleman is

putting up here is quite what it ought to be.

Mr. MCGREGOR. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Ohio.

Mr. MCGREGOR. I would like to inquire of the majority leader, if his unanimous-consent request prevails, will we be given opportunity on Monday to amend the resolution?

Mr. McCORMACK. Yes. This is under the general rules of the House.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, this in no way would change the parliamentary situation. The bill would come up on Monday just as if it had come up under a rule. All we do is eliminate the necessity of having a meeting of the Committee on Rules.

Mr. McCORMACK. Exactly.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. The House passed a bill which made a change in the date of May 15. If we extend the time by this resolution to July 1, would that necessitate the House's going back and taking up its bill and making some change in the date in that bill?

Mr. McCORMACK. The bill we passed is pending in the other branch, and it remains there for consideration.

Mr. MILLER of Nebraska. The gentleman does not feel that the passing of this resolution would nullify anything the House did?

Mr. McCORMACK. It would not nullify the passage of the bill, but, to be perfectly frank, naturally, if the resolution passes, it means that whatever action is taken by the other branch and ultimately by this branch will be affected by the passage of this resolution, as far as the date is concerned.

Mr. HALLECK. Reserving the right to object, Mr. Speaker, and I am not going to object because I agree with the suggestion made by the minority leader that this simply expedites the consideration of this very important matter on next Monday, what disturbs me is this, and I should like to get the gentleman's reaction. In the papers this morning General Devers is quoted as saying publicly in an address he made that the Members of Congress are cowards for failing to deal with the matter of draft extension. As one Member of Congress, I resent that sort of talk and that sort of accusation against the Congress of the United States. We did deal with it here in the House of Representatives. I am just wondering what the gentleman from Massachusetts thinks about that sort of a characterization of the Members of the Congress, who are seeking to do the best they can to discharge their responsibilities?

Mr. McCORMACK. The inquiry of the gentleman is irrelevant to the unanimous-consent request submitted, but in answer to his inquiry, I would naturally say that General Devers is entitled to his own opinion, but that my personal views contrast sharply with his. Of course, I recognize there might be some limitation upon the



prudence of a general in the Army in regard to making statements, but I am not going to get into that now because I am trying to get the consideration of this resolution made in order on Monday.

Mr. HALLECK. I am perfectly willing to go along with that. It seems to me the fact that the gentleman is getting it ready for consideration on Monday is indicative of the fact that there has been no such lack of courage as the general is charging against the Congress of the United States. I resent the charge.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield for information? I just want to get some information.

Mr. McCORMACK. The gentleman can reserve the right to object.

Mr. HOFFMAN. I thought maybe the gentleman would yield to me.

Mr. McCORMACK. Certainly I will yield, if I have the right to do so.

Mr. HOFFMAN. If the other body should pass the Hobbs bill and it should be put into effect, would not that dispose of Lewis' request for the 10-cent royalty? Would it not make that demand illegal?

Mr. McCORMACK. I am unable to answer that question.

Mr. FORAND. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order has been demanded.

Is there objection to the request of the gentleman from Massachusetts?

Mr. ROBSION of Kentucky. Reserving the right to object, Mr. Speaker—

The SPEAKER. The gentleman from Rhode Island has demanded the regular order.

Mr. FORAND. I will withhold that for a moment, Mr. Speaker.

Mr. ROBSION of Kentucky. Reserving the right to object, Mr. Speaker, we are concerned about the draft matter and also about this coal-strike matter. I regret that they are tied together. May I ask the gentleman, just for my own information and for the benefit of the House, under the General War Powers Act, does not the President have the power to seize any plant in this country?

Mr. McCORMACK. I am unable to answer that question. To me, the primary question is the extension of the Selective Service Act, and, as far as I am concerned, other questions that are involved therein are incidental thereto. My request asks for nothing except to obviate the necessity of going to the Rules Committee today. Everything else is the same as if a rule were reported out.

Mr. ROBSION of Kentucky. But the President undoubtedly has the power in the General War Powers Act to seize any plant in this country.

Mr. McCORMACK. I have no knowledge of that, and I cannot confirm or contradict it.

Mr. ROBSION of Kentucky. He has the power under the Second War Powers Act.

Mr. McCORMACK. I am not challenging the statement of the gentleman.

Mr. SMITH of Virginia. Mr. Speaker, reserving the right to object, I think we are laboring under a little misapprehension about there being two questions

involved. I do not think the question of seizure is affected by this resolution to extend the life of the Draft Act. I call the attention of the House to the fact that the War Labor Disputes Act, in which the power to seize exists, has a separate termination date. I want to read it for the information of the House. It is true that the War Labor Disputes Act has a section which amends one section of the Draft Act giving this power of seizure. But in the War Labor Disputes Act there is a separate termination clause, which reads as follows:

Except as to offenses committed prior to such date, the provisions of this act and the amendments made by this act shall cease to be effective at the end of 6 months following the termination of hostilities in the present war, as proclaimed by the President or upon the date \* \* \* of the passage of a concurrent resolution of the two Houses.

It seems to me that removes this whole question about whether this resolution extending the Draft Act has anything to do with the seizure of coal mines.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield for a question?

Then the gentleman's opinion is, if there is a desire to seize the mines, the power does exist whether or not the Draft Act expires?

Mr. SMITH of Virginia. Absolutely. I do not think it is affected one way or another.

Mr. BRADLEY of Pennsylvania. In that event, there is no need for the passage of this resolution so far as that purpose is concerned.

Mr. SMITH of Virginia. That is another question.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

The gentleman does not contend that the unemployment rights of veterans are not involved and that if this is not passed they will lapse automatically and that the veterans will have no unemployment rights under the law?

Mr. SMITH of Virginia. I did not intend to express any view in opposition to this resolution. On the contrary I favor the adoption of the resolution.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, reserving the right to object, might I ask the gentleman from Massachusetts, the distinguished majority leader, in connection with his request for 2 hours general debate, after that will the resolution be subject to debate under the 5-minute rule?

Mr. McCORMACK. Yes.

Mr. BRADLEY of Pennsylvania. And it will be subject to amendment?

Mr. McCORMACK. Exactly.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### AMENDING THE NATIONAL HOUSING ACT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the managers on the part of the House in conference on the bill H. R. 4761, entitled "An act to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for

housing purposes at fair and reasonable prices, and for other purposes," may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

#### ADDITIONAL COPIES OF THE REPORT ON THE BILL (S. 7) TO IMPROVE THE ADMINISTRATION OF JUSTICE BY PRESCRIBING FAIR ADMINISTRATIVE PROCEDURE

Mr. BULWINKLE. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 1997) a privileged resolution (H. Res. 613) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved*, That there be printed for the use of the Committee on the Judiciary of the House of Representatives 7,500 additional copies of House Report No. 1980, current session, accompanying the bill (S. 7) to improve the administration of justice by prescribing fair administrative procedure.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### DEPARTMENT OF INTERIOR APPROPRIATIONS, 1947

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 6335, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. General debate has been concluded and the first paragraph of the bill has been read.

Mr. MAY. Mr. Chairman, I move to strike out the last word.

Mr. O'NEAL. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield.

Mr. O'NEAL. Mr. Chairman, a few months ago the Members of the House of Representatives were regretful to hear that the gentleman from Oklahoma, Mr. JED JOHNSON, was being urged to accept an appointment to a Federal judgeship. We were very happy when we learned that the gentleman from Oklahoma [Mr. JOHNSON] had decided finally to remain in Congress. We are confident that he felt that he could serve his district, his State, and his Nation in a much fuller way by remaining in the legislative branch of the Government. It was gratifying to me that the gentleman from Oklahoma [Mr. JOHNSON] made the sacrifice, and it was, no doubt, a real sacrifice as far as his own personal affairs were concerned.

Mr. JOHNSON's services in Congress were of great importance during the war, and the serious period through which the world is now passing needs the best

brains of America in the Halls of Congress. His natural ability, his common sense, and his long experience will mean much to the solution of the problems before us. His handling of the bill now before us is proof of his great value to Congress and his country. No new man, even though he had the outstanding ability of the gentleman from Oklahoma, JED JOHNSON, could hope to be as important to the work of Congress, because a new man would lack the long experience of this thoroughly trained Oklahoma Congressman.

We trust that no judicial appointment or anything else will deprive Congress and his Nation of his services for years to come.

Mr. MAY. Mr. Chairman, I think it is extremely unfortunate that a high ranking officer in the Army of the United States should make references, if he did make them, to the Congress of the United States and to its membership, as a bunch of cowards. I hope that General Devers did not make such a statement. If he did, I am in entire disagreement with any such practice by a military official. I believe when the law and the Constitution provided that the Secretary of War shall be a civilian, it was the intent of the Congress and of the writers of the Constitution that there should be a complete line of demarcation between military and civil authority.

I know General Devers extremely well. He is a great Army officer. He is a great military leader. He is a fine gentleman. But notwithstanding all that I expect to assemble the Military Affairs Committee of the House in session next Tuesday and ask him to explain his remarks. I wish to say that he will have all courtesies, but he must explain his statement.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield.

Mr. ARENDS. I am glad the chairman of the committee is going to do just that, for the simple reason that many Members of the House feel we are entitled to an explanation from the general, if he is correctly reported as saying what the press reports. I do not believe it becomes a high ranking officer, with the fine reputation that the general has, to make such statements belittling the Congress of the United States. I am sure if we have him before our committee we may find out just what he means.

Mr. MAY. I think, if you will pardon me for a personal reference, that the Military Affairs Committee of the House has done its whole duty toward the War Department in this great national emergency, and I do not think it is proper that they should criticize either us or our colleagues.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield.

Mr. ELSTON. I understand General Devers' remarks were prompted by the lack of action on the part of the Congress with respect to some legislation.

Mr. MAY. Yes, so I understand.

Mr. ELSTON. As I understand it, there is an Army regulation that makes it an offense for an Army officer to lobby or to attempt to influence Members of Congress with respect to any legislation.

Under the circumstances, it seems to me the general might have to explain why he is not subject to court-martial proceedings.

Mr. MAY. Well, that is rather a technical legal question that may involve the right of an individual to express himself freely, under the Constitution. In other words the right of free speech.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Will the gentleman and his committee make any inquiry as to what the War Department, the Secretary of War, or the Chief of Staff may do or have to say relative to the statement of General Devers?

Mr. MAY. I think we will go into the whole thing.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Michigan.

Mr. HOOK. Does not the gentleman believe that we of this Congress have placed so much power in the hands of the military that we are practically under military control and that that is why they are getting pretty cocky?

Mr. MAY. I do not think so. I think we are still the great Congress of the United States and a free membership that will do as they think right about things as they generally do.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Indiana.

Mr. HALLECK. I am glad to hear the chairman of the Committee on Military Affairs say what he has said about General Devers. In raising this question with the majority leader I certainly did not undertake to question the general's patriotism or his capacity as a soldier. I cannot help but feel, however, that when high-ranking men in the Army join with many others around the country in what seems to be either purposely or carelessly quite an effort to discredit the Congress of the United States as an institution, then I think it is high time some inquiry were made. Too many times do we observe that heads of executive departments think there is never any closed season on the Congress or what it does.

Mr. MAY. I think it is unfortunate, and we will look into it.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

By unanimous consent, the pro forma amendments were withdrawn.

The Clerk read as follows:

#### DIVISION OF GEOGRAPHY

Salaries and expenses: For all necessary expenses of the Division of Geography, in performing the duties imposed upon the Secretary by Executive Order 6680, dated April 17, 1934, relating to uniform usage in regard to geographic nomenclature and orthography throughout the Federal Government, including personal services in the District of Columbia, stationery and office supplies, and printing and binding, \$12,956.

Mr. DIRKSEN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. DIRKSEN. I make a point of order against the language appearing in lines 3 to 11 on page 3, on the ground that there is no authority of law for the inclusion of this item; and on this point of order I should like to be heard.

The CHAIRMAN. The Chair will be pleased to hear the gentleman.

Mr. DIRKSEN. I hope the Chair will indulge me a moment as I address myself to the point of order, because I pursued this matter several years ago.

It is customary, Mr. Chairman, when the Budget is submitted to the Congress that it contain references which indicate the authority upon which the appropriation is predicated. The only authority I could find for this item, of course, was an Executive order whereby the old United States Geographical Board was transferred to the Secretary of the Interior, together with all its existing functions. In examining that Executive order what it really does is to abolish this office or this obligation and send it back to the Secretary of the Interior. That Executive order, Mr. Chairman, which was dated April 17, 1934, was predicated on an act of March 3, 1933, which re-enacted certain portions of the legislative appropriation bill for this Department for 1934. Now, when one goes back and examines, he finds that the President did have the power to transfer and abolish and consolidate agencies. The net result of the action as taken here whereby the Division of Geography was sent over to the Secretary of the Interior is actually to create an office and to create an additional function. I find no warrant for it except the annual warrant in an appropriation bill. There is nothing in substantive law which justifies continuation of this item, and I very respectfully submit to the Chairman it is subject to a point of order on the ground there is no legal authority for it.

Mr. JOHNSON of Oklahoma. Mr. Chairman, as much as it deeply pains me to do so, I must concede the point of order.

The CHAIRMAN (Mr. COOPER). The gentleman from Illinois makes a point of order, which is conceded by the gentleman from Oklahoma. The point of order is sustained.

The Clerk read as follows:

#### SOIL AND MOISTURE CONSERVATION OPERATIONS

For all necessary expenses of administering and carrying out directly and in cooperation with other agencies a soil- and moisture-conservation program on lands under the jurisdiction of the Department of the Interior in accordance with the provisions of the act of April 27, 1935 (16 U. S. C. 590a-590f), and Reorganization Plan No. IV, including \$98,700 for departmental personal services including such services in the District of Columbia; traveling expenses; printing and binding; furniture, furnishings, office equipment and supplies; purchase (not to exceed six), operation, maintenance, and repair of motor-propelled and horse-drawn passenger-carrying vehicles, hire, maintenance, and operation of aircraft, \$1,509,830: *Provided*, That this appropriation shall be available for meeting expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Department of the Interior.



Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the coal strike is causing not only great industrial loss but great suffering of our people. It is a national catastrophe. The House passed the so-called Case bill which, if acted on by the Senate, would help the situation. As it has not acted and nothing else has been done to ease the situation, I feel the administration should stop sending coal to Germany and France and that the Army should see that Germany mines the coal that our Army needs and that it mine coal to supply continental Europe. I feel that France also should mine its own coal. The people of our country are rebelling against taking everything out of the country unnecessarily.

I am going to read an article by Mr. Ickes in which he states in part:

I repeat the advice that I gave to President Truman one day at a Cabinet meeting in the presence of Acting Secretary of War Patterson: If the Army needs coal—and it certainly does if it is to do its job in Europe—tell it to go and get it. There is plenty of coal in Germany for Europe and that is where it ought to come from.

Mr. Chairman, I am very much interested in the statement Mr. Ickes made because I made practically the same statement last August to Mr. John W. Snyder, Director of War Mobilization and Reconversion. I hoped then that the President would do something about the matter and that coal would be produced over there.

Mr. Ickes goes on to say:

So far as coal is concerned, there is enough in Germany to supply the needs of continental Europe. But it cannot be brought out of the mines by soldiers at salute. It requires picks and shovels and modernized machinery to produce coal. Military men may know their way about a battlefield, but they are not at home in a coal mine.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from California.

Mr. JOHNSON of California. Last summer I was on a committee that went to Europe in an official capacity. We visited the coal mines in Germany. At that time they were idle and I wonder if the lady knows anything about what has been done to operate them. Before the war Germany was self-sustaining in its coal production, I think. I cannot see why we should not get the Germans to operate those mines and furnish their own coal.

Mrs. ROGERS of Massachusetts. Of course we could. We are in command there and certainly the Germans could mine their own coal and they should be made to do so. I stated last summer that this should be done and I assumed it would be done. I understand we are still sending coal to Europe. Why the Europeans do not mine their own coal I do not know, especially when we are so desperately in need of coal today. One industry employing 600 men in my own district shut down last night and more are to follow. This is going on like the falling of a pack of cards or like the slate off the roof during a hurricane.

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There is no excuse for our sending coal abroad when they can mine it over there themselves.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I agree with the gentleman that it is an absurd situation. But when I was in Berlin last fall they told us that the reason for the fuel problem was partly a breakdown in transportation, and that the breakdown in transportation was partly due to the demolition of locomotives during the war, but was also partly due to the so-called de-Nazification program which had put off the railroads anybody who had a card in anything that might be classed as a Nazi organization, with the result that they did not have skilled people to operate the railroads.

Mrs. ROGERS of Massachusetts. I also took up the question with the administration that there were a good many German prisoners in this country who were coal miners and that they should be sent back back to mining coal. But that was not done because they were kept at work on the farms. I never have been satisfied with the reasons they gave for not returning the prisoners to Germany.

Mr. Ickes in his article goes on to say that in order to do the work the miners must be fed, and he states:

Hitler did not have any coal from the United States to depend upon when he was tyrannizing over Germany and most of the continent of Europe. He saw to it that the miners, even if they consisted of forced labor, had enough food to sustain their strength for their hard work. He realized that his whole war economy depended upon the production of coal and, reasoning from cause to effect, he realized that sufficient food given to miners would make it possible to produce more coal and, therefore more food than if he had allowed some of his brass hats to play with the idea that they knew how to do the job.

I tell the House with all the strength in my being that our economy in the United States is dependent upon the coal being mined and upon our getting the countries of Europe to mine their own coal.

I repeat again they should be made to mine their own coal.

The rest of Mr. Ickes' story I insert as it contains valuable facts:

I'M TELLING YOU

(By Harold L. Ickes)

ALLIED ARMY CONTROL BLAMED FOR LOW COAL OUTPUT IN GERMANY

In Germany, in all three of the occupied zones—British, French, and American—some coal is produced. Before the war the coal mines in the British, French, and American zones produced about 80 percent of Germany's coal, with far the greater part coming from mines now in the British controlled area. In the French zone, coal is coming out of the ground at the rate of about 65 percent of normal peacetime production. The American production is about the same. In the British zone, where there is the most coal, it is being brought out at the rate of approximately 40 percent of normal.

This does not make sense. Such a low rate of production is a reflection upon our intelligence. The armies of occupation can hardly account this another victory. Coal

knows no nationality and only trained miners can persuade it out of the ground and onto a truck or railroad car. The explanation for the low rate of production in the British and American zones can be easily spelled out. It is A-r-m-y.

Over a year ago a commission of Dr. Charles J. Potter, Deputy Solid Fuels Administrator of the United States, and Lord Hyndley, one of the largest and most experienced coal operators in Great Britain, went to Germany to take a look at the coal situation. When Dr. Potter got back to Washington he recommended the coal operation in the British, French, and American zones be unified under American civilian control. Realizing that Dr. Potter was an expert in his field and knew what he was talking about, I urged President Truman to put this recommendation into effect. His only response was an unenthusiastic promise that he would discuss the matter with General Eisenhower. Subsequently, in Frankfurt, Germany, General Eisenhower told me that he had never heard from the President on the subject of coal. Consequently nothing was done.

I suspect that I made something of a nuisance of myself trying to put over the idea of a civilian administration in order to produce more German coal for use in Europe. I talked on the subject to the head of the French purchasing mission in this country, M. Monet. When I went to London last September on the oil treaty with Great Britain, I outlined my plan to Prime Minister Attlee one day at his summer home at Chequers. I talked with one of the outstanding men in the British Government, Emanuel Shinwell, Minister of Fuel and Power. I mentioned it to Foreign Minister Bevin. I discussed it with Lord Hyndley as well as with members of the European Coal Organization who came to see me when I was in London. I knew then, and events have proved me right, that, with the best intentions in the world, the United States cannot possibly supply Europe with the coal that it needs. Even if, with the gracious consent of John L. Lewis, we could get enough coal out of the ground we do not have enough ships to carry it across the Atlantic.

Mr. MANSFIELD of Montana. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I rise at this time to commend to the Congress the fine work performed by the Subcommittee on Interior Appropriations under the chairmanship of the gentleman from Oklahoma, the Honorable JED JOHNSON. While this committee may have used the pruning knife to cut the recommendations of the Interior Department and the Budget Bureau too deeply I am sure we can all understand their reasons for so doing. They are interested in the economic welfare of our country; they realize we have a tremendous debt to pay, and they are doing their level best to help balance the Budget.

I have appeared before this committee on numerous occasions and never have I seen a harder working or more conscientious group anywhere. I have been granted permission to bring witnesses before them as late as 6:15 in the evening when they listened just as courteously and showed just as much consideration as they would first thing in the morning. I have seen them in their shirt sleeves pouring over statistics, interrogating witnesses, and giving every ounce of their ability and energy to the job before them. I have wondered many times how they could do their com-

mittee work, answer their correspondence, study legislation, and attend to their constituents' needs. I know what the answer is, because their days began with the dawn and ended far into the night.

My admiration for the way they have attended to the business of their committee extends to all the members of the group. To the gentleman from Oklahoma, JED JOHNSON, for his unfailing consideration and understanding; to the ranking Republican member, the gentleman from Ohio, BOB JONES, and his two colleagues, the gentleman from Idaho, HENRY DWORSHAK, and the gentleman from Iowa, BEN JENSEN, for their kindness and understanding; to the ranking Democrat, the gentleman from Ohio, MIKE KIRWAN, and his two fellow Democrats, the gentleman from Arkansas, BILL NORRELL, and the gentleman from New York, JOHN ROONEY, for their thoughtfulness and advice, and to all of them I extend my wholehearted respect and gratitude for a job well done.

I think I know what the members of this committee think of their job and I have first-hand information about the serious and patriotic way they face it. I know of no finer, nor more patriotic, nor more outstanding committee group, and I extend to them my thanks for their devoted efforts in behalf of the country which they, and we, represent. Their honesty, sincerity, and ability are attributes which make them outstanding representatives in the greatest parliamentary body in the world.

Mr. OUTLAND. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. OUTLAND. Mr. Chairman, I wish to address my remarks to that portion of the Interior Department appropriation bill for fiscal year 1947 which drastically curtails in some instances, and in other instances eliminates altogether, funds for the construction of transmission lines necessary to market hydroelectric power generated at dams constructed in connection with the development of reclamation projects.

Insofar as the action, or more correctly, the inaction, represented by this bill has as its object the attainment of economy in the expenditure of Federal funds, it will inevitably fall short of achieving that object. Revenues from the sale of power must bear the major share of the cost of construction of Federal reclamation projects. If the transmission lines necessary to bring the energy produced on these projects to the market centers are not constructed by the Government, the almost certain result will be that the Government will be forced to sell the energy only to the private power companies. They are the only other agencies which can afford to construct transmission lines to publicly owned dams and power plants, which are frequently located in remote places. In that situation it requires no great imagination to see that the Government's bargaining power will be gone entirely. The producer of power will be at the mercy of

the wholesaler. Thus, in the long run, the Government will lose money rather than save money by failure to construct transmission lines.

Entirely aside from the monetary aspects of this situation, failure to provide money for the construction of Government transmission lines to market centers virtually nullifies the preference given by law in the sale of power to public bodies and cooperatives. This policy of public preference has been written into the reclamation law by Congress for 40 years. It has successfully withstood every legislative attack. This policy has been written into flood control and rivers and harbors laws, the Fort Peck Project Act, the Bonneville Project Act, and the Tennessee Valley Authority Act, but it cannot be made effective unless the Government builds transmission lines. The reason is plain. Public bodies, such as municipalities and cooperatives, which are beneficiaries of this policy of preference are in most instance not able to command the financial resources necessary to build transmission lines, often of great length, to reach the Government dams. This being unquestionably the case, the only way in which to make effective the preference the law gives them in the purchase of public power is to enable the Government to provide the transmission lines.

This matter of Government construction of transmission lines, too, has been fought out on the floor of Congress and the policy has been sustained. It was fought out in connection with the Flood Control Act of 1944 when attempts were made in the Senate to strike from that law all provisions authorizing construction of Government-owned transmission facilities. More recently it was fought out on the floor of the Senate in connection with appropriations for the Bureau of Reclamation when the First Deficiency Appropriation Act of 1946, which became law on December 28, 1945, was before Congress. In that instance the entire debate on Central Valley project transmission lines in the Senate revolved about the question of whether the energy produced at dams on reclamation projects was to be sold at the bus bar with the Government at the mercy of only one prospective customer, or whether the policy of 40 years' duration that the Government build transmission lines to enable it to market the energy would continue to be followed. The Senate rejected the policy of sale at the bus bar. This House concurred.

This issue having been contested so recently, I had hoped, Mr. Chairman, that the policy of Government-built transmission lines was finally accepted. From the provisions of this bill, however, it appears that we must make the good fight again. The House should, therefore, meet this issue squarely by restoring to the bill the Budget estimate for construction of transmission lines which have been stricken.

By failing to appropriate funds for transmission lines, funds which would flow back to the Treasury in power revenues, hydroelectric power plants on reclamation projects in the West are likely to sink to the moribund status occupied

for years by Wilson Dam, which is now a key power plant in the TVA system. We all know that from the time of its construction until the Government constructed its own transmission lines, the public was denied the benefits of the low-cost power which could have been produced there. In these days when low-cost hydroelectric power offers so many possibilities for public benefit, we must make those possibilities realities by appropriating funds for the transmission lines which alone can bring those realities about.

Failure to provide low-cost power would be a tragic mistake, a mistake that easily might be a contributing factor to a new depression. We must continue to build the West, if we are to continue to build America. Progress is the only economy today that the voters of America will tolerate.

The Clerk read as follows:

Penalty mail costs: For deposit in the general fund of the Treasury for cost of penalty mail of the Department of the Interior, as required by section 2 of the act of June 28, 1944 (Public Law 364), \$205,000.

Mr. DWORSHAK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the 2,600 pages of the printed hearings testify to the diligence and the thoroughness with which the members of this subcommittee approached their duties in the preparation of this appropriation bill.

During the general debate on Wednesday, several Members from the Western States, which are most essentially interested in the various items contained in the bill, expressed apprehension over the drastic cuts which were made in some of the appropriation items. As a member of the subcommittee, I was not in complete accord with the bill as presented; differing in some instances with the recommendations, particularly in reference to the Grazing Service. However, at this time, I should like to submit briefly a few statistics which may give you some factual information concerning the appropriation that the committee recommends at this time.

I have asked a clerk of our Appropriations Committee to prepare a statement showing the appropriations which have been made in the regular annual acts for the Interior Department in the years 1936 through 1946, an 11-year period, and I quote from that statement:

In 1936 the Interior Department Appropriation bill provided for \$61,000,000; in 1937, \$114,000,000; 1938, \$132,000,000; 1939, \$129,000,000; 1940, \$172,000,000; 1941, \$135,000,000; 1942, \$188,000,000; 1943, \$178,000,000; 1944, \$104,000,000; 1945, \$103,000,000; and in 1946, with the supplemental appropriation of about \$81,000,000, the total was \$191,000,000. That is an 11-year average of \$137,500,000. If you compare that with the proposed recommendation for 1947 of \$174,600,000, you will see that the recommendations for 1947 are approximately \$37,000,000 above the 11-year average.

I quote that merely to show you that sometimes we get excited when reductions are made, but too infrequently we look at the record to see what the facts are.



In November 1939 the Interior Department reported, according to the United States Civil Service Commission, a total of 37,390 employees. In March of this year, from the same source, we find that the Interior Department had 41,640, or more than 4,000 employees in March of this year in excess of the total in the Interior Department in November 1939.

According to the recommendations submitted by the Bureau of the Budget, if our subcommittee had approved all of the proposed appropriations items it would have authorized the Interior Department to add approximately 11,000 employees in excess of their authorized personnel strength during the current fiscal year.

I know that some of the Representatives of the Western States are alarmed, but I feel that with a new Secretary, who appeared before our committee, we have a right to feel that he will streamline some of the agencies, eliminate confusion which has existed heretofore, and improve the efficiency. He is reported to be an official with considerable executive ability.

The reduced appropriation bill which has been brought to the floor of the House is in no way a reflection upon Secretary Krug. In fact, it merely is an indication that our subcommittee has faith in the ability of the new Secretary of the Interior to do an outstanding and efficient job in the administration of the various agencies and bureaus which come within the jurisdiction of his Department. I make this statement merely to point out that, while on the surface these appropriations represent drastic cuts, when compared with recommendations of the Bureau of the Budget, in reality they are not nearly as drastic as they may appear.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

The pro forma amendments were withdrawn.

The Clerk read as follows:

#### BONNEVILLE POWER ADMINISTRATION

Construction, operation, and maintenance, Bonneville power transmission system: For construction of transmission lines, substations, and appurtenant facilities; operation and maintenance of the Bonneville transmission system; marketing of electric power and energy; and all administrative expenses, including printing and binding; purchase (not to exceed 29 in the fiscal year 1947), hire, maintenance, repair, and operation of passenger automobiles; purchase (not to exceed one in the fiscal year 1947), hire, maintenance, repair, and operation of aircraft; \$9,000,000, to be available until expended, of which amount not to exceed \$3,695,400 shall be available in the fiscal year 1947 for operation and maintenance of the Bonneville transmission system, marketing of electric power and energy, and administrative expense, connected therewith, including \$24,750 for personal services in the District of Columbia.

Mr. HORAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to speak about the Bonneville Power Administration in terms of the national interest. It has been the national interest that, in the final analysis, has dictated our western development. This is true in the case

of the great Grand Coulee and Bonneville Dams on the Columbia River.

It was to dispose of the power from these projects that the Bonneville Power Administration was set up. I am pleased to note on page 6 of the committee's report this year a statement as follows:

During the war this organization (the Bonneville Power Administration) performed an outstanding service to the Nation in providing continuous power essential in connection with atomic-bomb production operations in the Hanford area, adjacent to the Columbia River in Washington. During the fiscal year 1945 plants in the Northwest produced one-third of the Nation's aluminum output, and during the same year war industries served directly by the Bonneville Power Administration accounted for an over-all consumption of 5,546,277,000 kilowatt-hours of Columbia River energy.

In addition to this, I feel that it is worth while to note that power from these great dams, distributed through the Bonneville Power Administration, was most useful in the building of ships. During last year 181 ships were built in the area supplied by power from the great Columbia River. These included 54 victory ships, 62 troop ships, 65 tankers, and 2 aircraft carriers.

I might mention here that the foresight of this subcommittee in providing adequate funds at the right time while Grand Coulee and Bonneville Dams were being built, was a most fortunate thing in terms of the national defense. Grand Coulee Dam began generating power a few months before the tragedy of Pearl Harbor and power from Grand Coulee was tremendously useful in the repairing of ships damaged and wrecked by the Japanese attack.

The committee will also recall that during the past year, I was instrumental in having a pay-out study made to determine the sound financial basis of the Grand Coulee, Columbia Basin, and Bonneville projects. As you know, practically all of the developments on the Columbia River are essentially investments and by far the lion's share of the moneys which we here appropriate will be returned eventually to the Federal Treasury.

In that study, allowances were made for a rather abrupt drop in the use of Columbia River power following the war emergency. I am happy to report that a recent study of the demand for Columbia River power proves conclusively that the anticipated drop in the power market will not materialize.

There has been a surprising call for aluminum. All of this, of course, still further supports the conservative assurances contained in the pay-out studies. And, it is additional assurance to the Nation and to the Congress that their investments in the Columbia River are safe.

Now we come to another phase of the national interest and one which, should it materialize, will again make us thankful for the potentialities in the Columbia River. I refer to the recent announcements in the press of a growing interest in supersonic transportation. The word "supersonic" means, faster than sound. Of course, it was the German use of V weapons during the latter stages of the

war which gave birth to the possibility of aircraft which could travel faster than sound. Experiments are being conducted in several places on a small scale in the United States today. Some of these are being conducted at Cleveland, Ohio, where I understand a total power demand for this purpose today aggregates some 200,000 kilowatts. I myself expect to travel to Langley Field, Va., next Monday to see some additional experiments in the field of supersonic transportation and flight.

These preliminary studies and experiments have opened up the possibility and the demand grows for full-scale experiments in supersonic flight. There is a possibility that experiments calling for as high as three-quarters of a million kilowatts of electricity may eventually materialize. If this is true, the most likely region in the world for such a possibility lies in the Pacific Northwest.

Naturally this all has a bearing on the activity of the Bonneville Administration which as the report says, performed such an outstanding service to the Nation during the war.

I share with the committee a desire to see cleared up the fiscal puzzles which exist in the Department of the Interior. I believe that a clarification will help me in my earnest efforts to properly represent my district and to provide for a sound development of our natural resources out there. I believe that it will help the subcommittee and above all, I believe that it will help the Department of the Interior.

Along with the committee, I have conducted my own studies and investigations of the unobligated balances which today exist for various purposes in connection with the activities of the Department of the Interior.

In the case of the Bonneville Administration my findings check exactly with the committee report found at the bottom of page 6. The unobligated balances at the time of the hearings from previous appropriations and which are today available for use in 1947, aggregated \$3,506,400.

The bill before us carries an additional \$9,000,000, giving a total of some twelve and one-half millions for the use of Bonneville next year.

I mention this because I want the Committee of the Whole House to know of the exact financial status of the Bonneville Administration. Let me again say that this organization stands ready to serve the national interest by a sound and continuous development of the resources in the Pacific Northwest. It is entirely possible that because of its potentialities it may have emergency projects thrust upon it at any time. Should this occur, naturally we will have to come to Congress for a deficiency appropriation.

I do feel that the Bonneville Administration has been hurt in one item particularly, and that is the item of maintenance and operation. I feel that the committee could very well agree to an increase in these funds.

Mr. SAVAGE. Mr. Chairman I move to strike out the last two words.

Mr. Chairman, the Interior Subcommittee on Appropriations Tuesday reported out the 1947 Interior supply bill. On the basis of the record taken and printed, it is perhaps one of the most voluminous set of hearings submitted to this House. The time made available to the average House Member has been too short to thoroughly appraise the situation, but several facts are clearly evident.

The length of this record results from the activities of the private power lobby, which I have discussed and analyzed several times on this floor. The press releases covering the decisions of this Committee indicate the objectives behind the cut. From the press releases, it is also evident that the cuts made in this bill have been more drastic than any bill reported to this Congress. The overall cut in this bill exceeds the combined cuts of the departmental bills reported out to date. The proportionate cut is nearly three times that given to any other department in a similar supply bill for 1947.

With these facts in mind I have searched the record to find out how the cut affects my State and my district. First, I want to emphasize the fact that the interim between the reporting of this bill and the debate is far too short to enable conscientious Members to digest the testimony and prepare an adequate presentation. Therefore, because of these limitations I must confine my present remarks to two items in the bill under the Bonneville Power Administration section, namely the Olympia-Cosmopolis project, and the so-called Bonneville operation and maintenance limitation.

With all due respect, the evidence shows that the committee was burdened with unnecessary and unprecedented appearances of outside parties. The volume of adverse testimony from such sources naturally created a fog. The nature of this burden was such that necessary vital justifying points have evidently been lost in the maze of statements and counter-statements.

I do not now take the floor as a critic, as I appreciate the circumstances. I enter the well of the House rather for the purpose of keeping the record straight so that unnoticed errors can be properly corrected under the congressional machinery available to the average Member. After covering the justification on these two points, I wish to refer briefly to some of the evidence submitted by lobby members. I hope to cover this more fully after I have had an opportunity to analyze this testimony.

#### OLYMPIA-COSMOPOLIS PROJECT

From the committee report, the items totaling \$790,000 and covering the Olympia-Cosmopolis project were eliminated. This elimination is not good business from a governmental standpoint. It will lead to inefficiency and waste as I will hereafter point out. This item is not a burden in any sense on the taxpayers as it is a completely self-liquidating item. This item further covers transmission lines and substations from Olympia to Cosmopolis, Wash. The 1947 construction items under this project include \$430,000 for a transmission line, to be operated at 115,000 volts;

\$165,000 for a substation at the eastern terminus of this line and \$195,000 for a substation at the western terminus. These facilities are urgently needed to provide capacity outlets from the Bonneville and Grand Coulee plants to supply service to an existing load from a going established public utility district. The people of this district have voted on this set-up, and have by democratic processes indicated how they desire to be served.

This is not a case of building to a potential market. The market is there waiting for energy which will help pay out the two large governmental investments on the Columbia River.

I have received a great many telegrams on this subject, and I want to quote from one or two of them:

We have had several enforced shut-downs in our plant because of insufficient power. This additional line to Grays Harbor is very much needed.

That is signed by E. W. Daniels, president of the Harbor Plywood Corp. I mention that because plywood is so important in the construction of homes for veterans at this time.

I have another telegram, this one from Don H. Arthaud, president of the Hoquiam Chamber of Commerce, in which the following statement is made:

Additional power badly needed in this area if this area is expected to produce full lumber requirements.

The importance of producing lumber is one of the urgencies of getting power into the Grays Harbor public utility district as soon as possible.

I invite your attention to the committee report No. 1984. On page 2 concern is shown for materials for veterans housing, and on that I wish to make two points. First, the high-priced piling to be used for the line on this project would, under no circumstances, be made into lumber; second, the Grays Harbor public utility district serves an area in which is concentrated a number of large sawmills, several of which cut more than a million board feet of lumber per week each. There are also large plywood plants in this area. This is one of the greatest lumber-producing sections in the Northwest, and any break-down of electric service to these mills and plywood plants would cause a serious reduction in the output of building materials.

The committee, on page 4, shows a proper desire to see every effort exerted to make revenues equal expenditures. This project to connect with a ready and waiting market will soon bring in revenues far in excess of the cost of the project.

I appreciate the praise the committee shows on page 6 for the Bonneville Power Administration, and I heartily concur in the commendation.

The Gray's Harbor Public Utility District, which this line will serve, owns and operates a wood-burning, steam-generating station at Gray's Harbor, Wash., with an output capacity about equal to the capacity of the transmission line included in the rejected item.

This publicly owned steam-generating plant was built to operate on waste wood, as fuel. This district is in one of the

largest timber regions in the country. Due to diminishing timber supply, more efficient and profitable lumber operations have become necessary. This change in timber operations has resulted in the elimination of wood waste as a fuel. All of the timber is now going into merchantable lumber and byproducts, and it is too expensive to use under power boilers.

Resulting from this changed condition, the Gray's Harbor Public Power District had to look elsewhere for other sources of power. After full investigation this district has decided to secure all of its power supply from the Bonneville Power Administration. A contract exists between the Bonneville Power Administration, a Federal agency, and this public district covering the power supply. The building of this line is necessary both in the public interests as well as complying with a contract obligation of the Federal Government. We have recently heard comments about the effect of the coal strike on our national economy. The action in eliminating this item has the same effect on the economy of the State of Washington as the coal strike does on the Nation.

I have investigated this project and have appeared before the committee giving them the benefit of my findings. The evidences show that the Olympia-Cosmopolis project not only represents a commitment of the Federal Government, but from a self-liquidating basis, it is one of the most highly feasible projects in the entire bill. There is an established need for this capacity and the compensatory market is at hand. These items according to the testimony were submitted to the committee on a sound self-liquidating basis.

The people of the entire area that I represent approve this project for the reason that the merits are self-evident. I have searched the record for evidences of adverse testimony, and I can find that no accurate testimony has been offered that can possibly be used to challenge the accuracy of the statements I presented. The Congress in their self-liquidating policy, applying to Bonneville and Grand Coulee have mandated the Administrator to contract for such loads. Now, we find, that after fulfilling a policy obligation written into law by Congress, that this elimination upsets mandated obligations and good business principles.

#### OPERATION AND MAINTENANCE LIMITATION

The record further shows that the President sent to Congress an original and supplemental estimate covering this item totaling \$4,290,000. Included in this item were the additional amounts contained in House Document 493. These additional amounts cover increased pay for hourly employees. The committee in its report recognizes the justice of the showing made in connection with House Document 493 but fails to provide the funds for the accomplishment. The committee allowed \$3,695,400 for this limitation, which is \$595,400 below the estimate submitted by the President. It is also \$97,850 below what the committee allowed for the current year 1946, when the Public Law 106



salary increases are added to the limitation adopted a year ago.

I wish to support strongly the \$4,290,000 request covering the operation and maintenance limitation of the Bonneville Power Administration.

When I appeared before the committee, I brought out the fact that Bonneville and Grand Coulee hydro plants generated electricity, but the return to the Federal Treasury depends not upon this manufactured commodity but upon the service rendered. Any crippling of service will ultimately reduce the governmental return. The reduction naturally will result in crippling service.

Most of the district I represent is now purchasing power from these two Federal plants, and I am interested in protecting service to these publicly owned distributors. I have had long experience and contact with the power problem. I know from experience in the Washington Legislature that when the private power lobby starts to work, its first objective is to curtail operation and maintenance funds. If they can strip service, they are in a position to advance further. Service is an obligation that represents a contract commitment of the Federal Government. The outputs from these two plants are widely used over western Washington. It is sound business, as well as efficient governmental functioning, to protect service if the Federal Government wishes to protect the taxpayer and the resulting returns to the Federal Treasury.

#### PRIVATE POWER LOBBY

As a member of the Washington State Legislature as well as a member of this House I have had contact and experience with the far-flung activities of the extensive private power lobby. The record shows that representatives of this lobby have appeared before this committee and are working at this very moment. I wish to caution against the acceptance of any of their statements without a thoroughgoing check.

On February 27 and April 10 last I detailed for the benefit of this House the pattern of their propaganda operations. I have shown by references to official documents the extent that this lobby has and is going in deceiving the American people. The same group have appeared before this committee. They have in the past appeared on numerous occasions before this and the Senate committee.

Just recently one of the representatives of this lobby appeared before another House committee and stated that a certain transmission line in eastern Washington was unnecessary and a waste of public funds. This generalized statement applying to the Midway Pasco Transmission Line was factually incorrect. The transmission that Mr. Robinson of Spokane referred to in his appearance before the Boren subcommittee was the actual transmission line that made the Hanford atomic bomb plant possible.

If anyone wants official record on the past performances of Mr. Kinsey M. Robinson all they have to do is to go to the Senate record of H. R. 8745, Seventy-sixth Congress, third session, and read the cross examination of Mr. Robinson,

conducted by former Senator Bone of the State of Washington. I mention this citation so that any testimony presented by Mr. Robinson and his cohorts can be easily identified and appraised. I propose later, when the time is available, to thoroughly analyze these presentations before the Interior Committee and to point out for the benefit of the American people the jokers which are being handed out.

#### CONCLUSION

The people of the State of Washington, as I have pointed out on numerous occasions, greatly appreciate the past outstanding vision of this committee. Its past decisions have contributed a great deal to the upbuilding of our State. The past decisions of this committee also had enabled the State of Washington and the Pacific Northwest to make outstanding war contributions of the atomic bomb and air program. I feel certain that when the facts that I have presented are fully investigated this committee will exercise the same vision that it has in the past.

I set forth at this point the telegrams to which I referred earlier in my remarks:

HOQUIAM, WASH., May 10, 1946.

The Honorable CHARLES SAVAGE,  
Member of Congress,  
Washington, D. C.:

Heartily appreciate your efforts to retain Bonneville appropriation. We have had several enforced shut-downs our plant because of insufficient power. This additional line to Grays Harbor is very much needed. Regards.

E. W. DANIELS,  
President, Harbor Plywood Corp.

HOQUIAM, WASH., May 10, 1946.

Congressman CHARLES SAVAGE,  
House Office Building,  
Washington, D. C.:

Commend your action in fighting cut in Bonneville appropriation for Cosmopolis-Olympia line. Proposed industrial expansion of existing facilities would be curtailed and increased lumber production be imperiled if cut allowed. Additional power badly needed if this area expected to produce full lumber requirements. Present line through wooded areas subject to continual break-downs from storms. Loop connection essential to maintain continuous service.

DON H. ARTHAUD,  
President, Hoquiam Chamber of  
Commerce.

ABERDEEN, WASH., May 9, 1946.

Hon. CHARLES SAVAGE,  
House Office Building,  
Washington, D. C.:

Approve your effort to retain appropriation for loop line into Grays Harbor. We believe in the value of appropriations for productive purposes and which are self-liquidating.

WEST COAST PLYWOOD CO.

SHELTON, WASH., May 9, 1946.

Hon. CHARLES SAVAGE,  
House Office Building,  
Washington, D. C.:

Understand House Appropriations Committee has cut Bonneville Power Administration appropriations to point where doubtful whether BPA will be able to build \$761,000 feeder line and facilities to serve Shelton next year. This is serious situation. I am sure Congress has not been fully apprized of the power shortage existing in this area.

Hope you can do something to insure program of this region will not be stopped.

C. M. DANIELSON,  
Mason County, P. U. D.

ABERDEEN, WASH., May 9, 1946.

Congressman CHARLES SAVAGE,  
House Office Building,  
Washington, D. C.:

Grays Harbor is in real need Bonneville feeder to complete power loop to provide uninterrupted service to existing and new industries. At present on extreme end of single Bonneville line through storm exposed forested area. If Appropriations Committee action prevents construction of connection to main system it will seriously affect industrial outlook for future.

ABERDEEN CHAMBER OF COMMERCE.

HOQUIAM, WASH., May 9, 1946.

Congressman CHARLES SAVAGE,  
Washington, D. C.:

Power generating capacity is useless unless there are distributing lines to the consumer. This company was seriously hampered in its war production by the occasional failure of the single feeder line from Bonneville to Grays Harbor. Our present expansion will require more power. The Olympic-Cosmopolis transmission line will safeguard us from power failure and give us that additional power we require. Since it is self-liquidating we see no reason for hampering the normal industrial development of this company which has been constantly growing for over 40 years through the failure of the Government to make their power available.

LAMB GRAYS HARBOR CO.,  
A Partnership.  
GEORGE E. LAMB.

By unanimous consent, the pro forma amendments were withdrawn.

The Clerk read as follows:

#### GRAZING SERVICE

Salaries and expenses: For carrying out the provisions of the act of June 28, 1934, as amended (43 U. S. C. 8A), including examination and classification of lands with respect to grazing or agricultural utility, preparation of land classification maps and reports, fighting fires, fire prevention and the suppression or emergency prevention of fires on or threatening lands under the jurisdiction of the Grazing Service, contract stenographic reporting services, traveling and other necessary expenses, personal services in the District of Columbia, purchase (not to exceed five), operation, and maintenance of motor-propelled passenger-carrying vehicles, and printing and binding, \$212,500: *Provided*, That this appropriation shall be available for expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Grazing Service, the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed, to the appropriation for "Salaries and expenses, Grazing Service", current at the time additional supplies, materials, or equipment are procured, from the appropriations chargeable with the cost or value of such supplies, materials, or equipment.

Mr. ROBINSON of Utah. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBINSON of Utah: Page 7, line 12, strike out lines 12 to 25, and page 8, strike out lines 1 to 9 and insert the following:

"Salaries and expenses: For carrying out the provisions of the act of June 28, 1934, as

amended (43 U. S. C. 8A), including examination and classification of lands with respect to grazing or agricultural utility, preparation of land classification maps and reports, fire prevention and the suppression or emergency prevention of fires on or threatening lands under the jurisdiction of the Grazing Service, contract stenographic reporting services, traveling and other necessary expenses, personal services in the District of Columbia, purchase (not to exceed fifteen), operation, and maintenance of motor-propelled passenger-carrying vehicles, and printing and binding, \$1,464,000; for payment of a salary of \$6 per diem while actually employed and for the payment of necessary travel expenses, exclusive of subsistence, of members of advisory committees of local stockmen, \$40,000; in all, \$1,504,000: *Provided*, That this appropriation shall be available for expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Grazing Service, of cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed, to the appropriation for "Salaries and expenses, Grazing Service", current at the time additional supplies, materials, or equipment are procured, from the appropriations chargeable with the cost or value of such supplies, materials, or equipment."

Mr. ROBINSON of Utah. Mr. Chairman, I would like to call the Committee's attention to the problem we have before us, and may I say the only purpose of my amendment is to restore to the Grazing Service the amount that was recommended by the Bureau of the Budget.

The effect of the reduction in the bill of the Budget estimate of \$1,504,000 to \$212,500 for salaries and expenses for the Grazing Service—a reduction of 85 percent—is to wipe out the administration of 143,000,000 acres of public grazing land in the West. The amount left in the bill would be sufficient only to pay for the accumulated annual leave of the employees who would have to be dismissed, and other liquidating expenses, and leave practically nothing with which to continue the administration of the grazing districts established under the provisions of the Taylor Grazing Act. Although the bill provides a total of \$425,000 for the Grazing Service, there would be little object in appropriating the \$205,000 for range improvements—page 8, line 15—or the \$7,500 for leasing of grazing land—page 8, line 22—because there would be no money for salaries and expenses with which to administer these two items.

The Taylor Grazing Act has brought a great deal of benefit in the broad public interest as well as in the local community interest in the West. Some 22,000 ranchers and farmers in 10 States are dependent upon the public grazing lands for forage for their livestock for part of the year. Order has been established in the use of the lands under the Taylor Act administration, and each user is allocated a fair share of the range where strife and competition and damage to the range resources previously prevailed.

The 143,000,000 acres of land administered by the Grazing Service include the watersheds of such streams as the Colorado River, the Snake and Columbia, the Missouri, the Rio Grande, and many small streams upon which the whole

West is dependent for irrigation, power, and flood control. A most important objective being accomplished under the administration of these lands by the Grazing Service is the restoration and maintenance of a plant cover—in many places sadly depleted before the passage of the Taylor Act—that will conserve the moisture and reduce the erosion that will otherwise clog the streams and fill with silt the storage reservoirs that have been constructed or will be constructed for irrigation purposes.

Another important function of the administration of the grazing districts that would be wiped out by a failure to appropriate sufficient funds for administration is the provision for big game animals on the public ranges, a matter in which the whole country is interested.

Protection from fire which formerly burned over as much as a million and a half acres in a single year has been one of the important undertakings of the Grazing Service.

Conservation of resources so that they will continue to yield human benefits indefinitely is a lesson that the people of the United States have learned the hard way. Its importance is emphasized by World War II. The Taylor Grazing Act is one of the cornerstones of our conservation program and this is no time to retreat by cutting off the necessary appropriations and thereby nullifying the act.

The subcommittee that prepared the bill apparently has based its recommendation to a great extent on making the Taylor Grazing Act self-supporting. Time will not permit a full discussion of that subject here, important as it is. Nevertheless, suffice it to say that wiping out the appropriations for administration is not an intelligent solution. Especially is this true when it is considered that only a million and a half dollars is all that is being requested to administer an area as large as the combined area of a half dozen of the Middle Western States.

Mr. Chairman, I do not think the committee intended to do that. The committee must have had in mind that there was difficulty in reference to the fees that the cattlemen and the sheepmen should pay to the Department of the Interior. They undoubtedly wanted to cut the fees somewhat. I call the committee's attention to the fact, however, that they should not put out of commission this bureau. It is true that the former Secretary of the Interior took the position that so long as subsidies were paid to cattlemen and sheepmen it was not logical to ask those cattlemen and sheepmen to raise the price of their grazing fees; so he refused to raise them during the subsidy period. However, we have now a new Secretary of the Interior.

I have always taken the position that the cattlemen and the sheepmen were not paying sufficient grazing fees. The only way, though, that we can get at this is to permit the Department to operate this year. There is no way we can now raise those fees for the present season, because the contracts are already in existence and the cattlemen and sheep-

men are already on this land under those contracts.

For years the men from the West in this Congress have worked to establish a grazing service that would result in conservation where through erosion and floods the entire grazing area was being wiped out. So we tried to get some soil conservation program that would take care of our watersheds, take care of our grazing, and take care of our cattle and sheep in the West, and this law was the result. It has worked excellently. The Grazing Service is doing a splendid job. It is the only way that we people in the West have of controlling these large areas.

I plead with this Congress committee not to deny us that right; we cannot afford to wipe out this Bureau. I do not believe that the committee intended to do any such thing. I think surely this was considered at a time when there was some feeling existing in the Department. I trust the amendment will be adopted.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 50 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, I rise not for the purpose of entering into this debate, but I notice the majority leader on the floor, and having expressed some interest the other day in the calendar for next week. This being Friday, it would be proper to get the information in the RECORD at this time. I would like to ask the distinguished majority leader whether he can tell us what the calendar will be for next week.

Mr. McCORMACK. I will be delighted to do so.

In the event that the bill under consideration is disposed of today, I will ask unanimous consent that the House adjourn over until Monday. I am not saying that I will, but I am hopeful that the bill will be disposed of today.

Monday is District day, with six bills. I understand none of them are controversial. Then there will be the conference report on the veterans' housing bill that we acted upon yesterday in instructing the conferees. Then there will be consideration of the continuation of the Selective Service Act, on which unanimous-consent agreement was had today.

A week or 10 days ago I assured the gentleman from Ohio [Mr. BROWN], a member of the Committee on Rules, that I would bring up the Gwynne bill, and carrying out that promise, I am setting it down for Tuesday.

On Wednesday we will consider the Coast Guard appropriation bill.

On Thursday the legislative appropriation bill will come up.



The Coast Guard bill ought to be disposed of in 1 day. I am leaving Friday open in the event that the legislative appropriation bill is not disposed of on Thursday.

Of course, conference reports will be brought up when the opportunity presents itself.

Mr. CASE of South Dakota. The majority leader said that on Monday he planned to take up the District Calendar, a conference report, and then the extension of selective service?

Mr. McCORMACK. Yes.

Mr. CASE of South Dakota. If an hour is to be taken on the conference report and 2 hours on the extension of the Selective Service Act, in accordance with the unanimous-consent request agreed to this morning, that would be 3 hours, and that, with the calendar, would make it a pretty good afternoon.

Mr. McCORMACK. Yes.

Mr. CASE of South Dakota. What would the majority leader suggest in case the Interior Department appropriation bill is not completed today?

Mr. McCORMACK. The Interior Department appropriation bill, then, after the District of Columbia business is disposed of, could be the one in order, but I will be exceedingly disappointed if the bill is not disposed of today. As far as I am concerned, I would be willing that the House adjourn over until Monday, but, of course, I would have to consult with others on it and it may be that we might have to meet tomorrow to conclude the consideration of the Interior bill. However, I am hopeful it will be disposed of today. If so, we will adjourn over until Monday. It is definite that we will adjourn over until Monday if that bill is disposed of today. If it is not completed today the Interior bill may have to go over beyond Monday.

Mr. CASE of South Dakota. A few days ago when the distinguished majority leader was stating the calendar for the current week I raised the question of whether any move had been made to call up the rule providing for the consideration of the Indian Claims Commission bill. I wonder if the gentleman has had any thoughts on that since then?

Mr. McCORMACK. I remember the colloquy well, and I have refreshed my memory as to what I said by looking at the RECORD of that day. My position is the same, that I do not intend to program the bill unless there is that influence exerted which, as one who tries to be sane and rational, I have to recognize, and that influence must come from a member of the Committee on Rules.

Mr. BATES of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Kentucky.

Mr. BATES of Kentucky. We granted a rule on this bill on February 6. I am under obligation to call up the rule unless we can get it on the program some time next week.

Mr. McCORMACK. The gentleman is a member of the Rules Committee. This rule being out over seven legislative days, he would like to have the bill brought up.

Mr. BATES of Kentucky. I am obligated to call it up if the gentleman cannot get it on the program.

Mr. McCORMACK. I do not think the gentleman wants to put it that way. I prefer that my friend put it that he would like to have me, as the leader, program it as soon as possible; otherwise he might feel constrained to call it up.

Mr. BATES of Kentucky. That is perfectly all right.

Mr. McCORMACK. That is the influence. Under those circumstances, I will put the Indian Claims Commission bill on the program for next Friday. That will be in addition to the announcement I have already made. This means that if the legislative situation is such that this bill cannot be disposed of on Friday, it will be a part of the order of business for the following week.

Mr. CASE of South Dakota. I appreciate the statement that has been made by the majority leader.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. HARLESS].

Mr. HARLESS of Arizona. Mr. Chairman, following up the remarks made by the distinguished gentleman from Utah [Mr. ROBINSON], I wish to point out some features of the history of the Taylor Grazing Act.

It is most unfortunate that we in setting up this appropriation bill will in effect dissolve a department of the Government which is so important as the Grazing Service. The Federal Government is primarily interested in this because it owns some 140,000,000 acres of land which is being serviced by this department. As has been pointed out by the gentleman from Utah, this appropriation cuts the Service some 85 percent. This bill provides for only \$212,000 for salaries and expenses for the administration of the Grazing Service. This is barely enough for the dissolution of the department.

The Grazing Service was established to administer the grazing districts created under the Taylor Grazing Act of 1934. There are some 60 grazing districts in the 10 Western States, and they extend over more than 140,000,000 acres, as I have said.

Mr. Chairman, this bill provides only \$212,500 for salaries and expenses for the administration of the grazing districts in the Western States by the Grazing Service. For the current fiscal year, the amount provided, including appropriations under the Pay Act, was \$1,121,470. That is a reduction of \$908,970, or a cut of approximately 80 percent. It is \$1,291,500 less than was recommended by the Bureau of the Budget.

The Grazing Service was established to administer the grazing districts as provided by the Taylor Grazing Act of 1934. There are 60 grazing districts in 10 Western States. They extend over more than 140,000,000 acres of land. Something like 22,000 farmers and ranchers are dependent upon this grazing land for their living. The amount provided by this bill is so wholly inadequate to carry out the responsibilities imposed by the Taylor Grazing Act that it will result substantially in the nullification of administration and the termination of the stabilization of the dependent livestock industry and the conserva-

tion of the natural resources on these lands.

We have heard much about the "mushroom growth" of the Grazing Service. Yet I think if we will only be fair in the matter we will find that the Grazing Service is doing a remarkably good job with a relatively small amount of money. I dare say there is no other organization in the Government that is doing so much with so little. The report of the Appropriations Committee refers to a statement of the late Hon. Edward T. Taylor, the father of the Taylor Grazing Act, and for many years the chairman of the Appropriations Committee, to the effect that a former Secretary of the Interior stated that he could administer 173 million acres for \$150,000 a year. I cannot see that there is much to be gained from discussing some estimate made more than 12 years ago before the act was put into operation. Nevertheless, I think it significant to point out that the last year that the Honorable Edward T. Taylor was chairman of the Appropriations Committee—for the fiscal year 1942—it approved \$800,000 for salaries and expenses for the Grazing Service. Certainly, Mr. Taylor knew, as we all know now, that this job of administering more than 140,000,000 acres of land cannot be done with \$150,000 or with \$212,500 as is proposed in the bill. The amount appropriated in the fiscal year 1945 for this item was \$1,117,740. In fiscal year 1946 there was \$979,470, in addition to \$142,000 under the Pay Act. The amount which was appropriated for fiscal year 1946, taking into account the pay increases and the establishment of fire protection services which formerly were provided by the Civilian Conservation Corps, represents substantially no increase as compared to the fiscal year 1942.

It is my opinion, Mr. Speaker, that we are making a very serious mistake when we practically wipe out an administration that is so essential to the conservation of the resources which are the very foundation of the Western States.

Did the Congress make a mistake when it passed the Taylor Act in 1934? Personally, I do not think so. I believe it was a good act. But if it was a mistake, let us face the issue fairly and squarely by repealing the act rather than nullifying it by failure to appropriate the necessary funds.

They give service to some 22,000 ranchers and farmers. The amount provided by this bill is wholly inadequate to carry out the responsibilities imposed by the Taylor Grazing Act. It will result substantially in the nullification of the administration and, as I have said, in the termination of the service. We have heard a great deal about the mushrooming of expenses in Government. We are all interested in cutting down expenses, but it is penny-wise and pound-foolish to make a drastic cut of this kind. I dare say there is no other organization of the Government that is doing so much with so little. The report of the Committee on Appropriations refers to the statement of the late Honorable Edward T. Taylor, the father of the Taylor Grazing Act, who was for many years chairman of the Committee on Appropriations, quoting a former Secretary of the

Interior, stating that he could administer 173,000,000 acres for \$150,000 a year. I do not see that there is much to be gained in discussing estimates made more than 12 years ago. Nevertheless, I think it is significant to point out that the last year Hon. Edward T. Taylor was chairman of the Committee on Appropriations, for the fiscal year 1942 it approved \$800,000 for salaries and expenses for the Grazing Service. Certainly Mr. Taylor knew, as we all know now, that this job of administering more than 140,000,000 acres of land could not be done with \$150,000, or with \$212,000 as is proposed in this bill. The amount appropriated in the fiscal year 1945 for this item is \$1,117,740. For the fiscal year 1946 the amount appropriated was \$979,470 in addition to \$142,000 under the Pay Act. I plead with the House to reconsider this matter and give the Grazing Service an adequate appropriation.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado [Mr. ROCKWELL].

Mr. ROCKWELL. Mr. Chairman, if the appropriation for the Taylor Act is passed and becomes a law as carried in this bill it will probably mean the liquidation of the Grazing Service. This in time might result in no supervision for the 142,000,000 acres of public grazing lands in the 10 Western States where they exist. Then we return to the might be right policy which made those lands the battle grounds for the sheep and cattle users of the past. That will be the continuation of the waste, soil erosion, and uneconomic use of public lands that existed before the enactment of the Taylor Act.

The action of the committee in cutting so drastically the Taylor grazing appropriation on the theory that only that portion of the grazing fees retained by the Federal Government should be used for the administration and improvement of those lands is entirely unjustified. Last summer and fall the Senate appointed 15 Senators to hold hearings in the 10 Western States where these public lands are located. Their findings are just published. I doubt that any member of this Appropriations Committee has read them. They show, among other things, that the users of these Taylor lands have actually carried out their part of the agreement, promised to Congress by the Secretary of the Interior at the time the act was passed.

When the Taylor Grazing Act was under consideration the then Secretary of the Interior told Congress "we have no intention of making this a revenue measure at all. We would like the range to pay its own administration, but nothing more." According to this Senate report, the Grazing Service, by the end of this fiscal year, will have collected in grazing fees \$7,727,000, as compared to a total expenditure of \$7,995,210 for administration and expenses during the same period. This year the 22,000 range users will pay into the Federal Treasury four times the amount that would be expended for administration under this bill. Recently the National Advisory Council, representing these range users, made these recommendations:

(a) That study of the cost of administration of grazing lands for grazing purposes be made and presented to them for study.

(b) That any fee finally fixed be based on a direct relation to the reasonable cost of administration.

(c) Amend the Taylor Act to provide that all fees paid by grazing users be used for administration only.

(d) With such a provision, the range users will finance and maintain the range improvements themselves.

Is not this in accordance with the original agreement with the Government?

The fact that Congress sees fit to appropriate 50 percent of these fees to the States is not the fault of these 22,000 permittees. That is the responsibility of Congress.

This Senate committee report had this to say about the financial condition of the stockmen in the West:

The livestock industry using the grazing districts is in a deficit net earning position, facing great uncertainties in the immediate future, and are not prepared to absorb higher grazing fees. The sheep and wool industry is already in process of drastic liquidation.

These are some of the facts disclosed in the hearings held by these 15 United States Senators. Many of our western Congressmen attended these hearings. The information was obtained at the grass roots, not in Washington, with representatives of the Grazing Service and the National Forests present. These hearings disclosed that the users of these public lands are actually paying the cost of administration as agreed by the secretary, even though Director Forsling says that one-third of this administration is for other than grazing services. Furthermore, the livestock men of these States are not in a financial position to stand higher grazing costs at this time. Hope you will vote to restore appropriation as recommended by amendment offered by the gentleman from Utah [Mr. ROBINSON] or at least the amount they received last year.

The CHAIRMAN. The gentleman from Utah [Mr. GRANGER] is recognized for 5 minutes.

Mr. GRANGER. The distinguished chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], stated on the day this bill was under discussion in the House that it was the most drastic cut in an appropriation bill that had been made in his memory. I think that is true.

We are talking now about funds in an appropriation that are, in the main, reimbursable to the Government. In other words, the Federal Government is expending money on its own lands to make improvements on its own lands, to conserve its soil, its forests, and its grazing lands for the benefit of the people. If this were an expenditure such as we appropriated on many other occasions when we have appropriated billions of dollars to sink battleships, as we expect the atomic bomb will do, then there would be some reason to take great pride in the reduction of expenditures of this kind.

Of all the services in this bill, the one that has suffered most is the Grazing Service. I know some of the reasons why this has been done. A year ago the committee told the Grazing Service to raise its fees.

For very obvious and legitimate reasons at that time they were not raised, as my distinguished colleague has already told you. We were paying subsidies on livestock, on lambs in considerable amounts, and it seemed not the part of wisdom on the one-hand to increase expenses of the livestock producer while on the other we gave him a subsidy. So as I understand the working of the minds of certain members of the committee, that is the reason this cut has been made. But there is an invisible reason back of this cut in this appropriation that is a matter of personalities. There is no getting away from it. There are many members of the committee, or perhaps many Members of the Congress that had no great love for the former Secretary of the Interior who prepared this budget, and the committee has proceeded, in my judgment, to unmercifully cut it. They now tell us the present Secretary of the Interior is a man in whom they have great confidence, yet they call upon him to administer efficiently a program that has been virtually gutted and scuttled in the matter of appropriations.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield.

Mr. MURDOCK. It was said here a moment ago that only us westerners opposed this cut. I call attention to the fact that one great eastern newspaper carried an editorial yesterday entitled "Economy With an Ax." I intended to put it in the RECORD myself, but my friend here succeeded in getting ahead of me on it. It is in the RECORD, however, and I call it to the gentleman's attention.

The committee strikes at bureaucracy here but I want to ask my friend if it is not true that this Service is more democratically managed than almost any other phase of our Government that can be mentioned.

Mr. GRANGER. The gentleman is absolutely right. This new Service was set up because of a national necessity. It has been one of the most difficult administrative jobs ever undertaken; and, as the gentleman from Arizona says, it has been done primarily by the people themselves. The Grazing Service, not administered by a bureau from Washington but out in the States, has done a great job in bringing order in the control of the public domain, and I hope along with my colleagues from the West and elsewhere that this appropriation will be restored, at least to the amount that was recommended by the President.

The CHAIRMAN. The time of the gentleman from Utah has expired.

The Chair recognizes the gentleman from Wyoming [Mr. BARRETT] for 5 minutes.

Mr. BARRETT of Wyoming. Mr. Chairman—

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield.



Mr. DWORSHAK. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Utah and ask that it be read at this time.

The Clerk read, as follows:

Amendment offered by Mr. DWORSHAK to the amendment offered by Mr. ROBINSON of Utah: Strike out "\$1,504,000" and insert "\$1,121,470."

Mr. BARRETT of Wyoming. I shall be pleased to yield further to my distinguished colleague from Idaho, who has rendered valuable service to the people of the West.

Mr. DWORSHAK. I shall take just 1 minute to explain the objective of my amendment. The gentleman from Utah has requested for salaries and expenses, \$1,504,000, which is the amount requested by the Budget for 1947.

My amendment would restore the amount which was used in 1946 for salaries and expenses.

Mr. BARRETT of Wyoming. Mr. Chairman, I rise in support of the amendment offered by my colleague the gentleman from Idaho [Mr. DWORSHAK] who is a member of the subcommittee reporting this bill, to the amendment offered by my colleague the gentleman from Utah [Mr. ROBINSON].

At the outset let me say that it seems to me that common sense and good judgment require that this bureau be given the funds necessary to properly administer the great area of grazing lands. I think the great majority of my colleagues here on the floor of the House certainly do not understand the import of this scandalous, terrific, and uncalled-for cut in this appropriation.

I want to call your attention to a few facts. To you gentlemen from the East, to you gentlemen from the South, may I say that the first 13 States retained every acre of their soil. None of it became a part of the public domain. The first 13 States not only retained all of the lands within their borders but they also received grants of a portion of the public lands in other States. In the settlement of the country the first 26 States got every acre of land within their borders, and the minerals under their lands. The country was settled in a progressive manner. That great area in the Mississippi Valley was settled before the lands in the Missouri Valley were taken up. All of these lands were rich farm lands. Nowhere in that area did the Government reserve the minerals in the lands that were homesteaded. Now let me tell you just how the lands in Wyoming were settled.

In the first place, the United States reserved several million acres of the best grazing lands and put them into national forests. Then the State was permitted to select a certain acreage, and, of course, it took the next best land. Along came the homesteaders and early settlers and they took the bottom lands and the land where there was water and where there was good pasture. Over the 50 years of our statehood thousands of people came from the East and Middle West to Wyoming and took up all the Government land that was suitable for the establishment of a home.

In 1935 there remained in our State over 17,000,000 acres of land that nobody would homestead, nobody would attempt to make a home or a living on. There are thousands upon thousands of acres of that land that do not grow any more grass than you can grow on the floor of this House.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

The Chair recognizes the gentleman from Montana [Mr. D'Ewart].

Mr. D'Ewart. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record following those of the gentleman from Wyoming [Mr. BARRETT] and I yield to him the balance of my time.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. BARRETT of Wyoming. Mr. Chairman, as a consequence much of the good land in Wyoming was reserved in the first instance by the Government as national forests; secondly by the States, and lastly the balance was taken by the people who homesteaded in the early days. So when the Taylor Grazing Act was passed 10 years ago, the remaining lands in our public domain was the 17,000,000 acres of undesirable lands that are a part of the area under question here today.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the gentleman from Utah.

Mr. GRANGER. Is it not a fact, also, that the land the gentleman is talking about is such that you earn everything you get off of it? You cannot use much of it unless there happens to be snow on it, and you cannot use it unless you haul water to it.

Mr. BARRETT of Wyoming. The gentleman is right.

Mr. MANSFIELD of Montana. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the gentleman from Montana.

Mr. MANSFIELD of Montana. Is it not true, also, that the Grazing Service is guided to a great extent by local advisory groups who are interested in the continued development of the land under the control of the Grazing Service?

Mr. BARRETT of Wyoming. That is right. May I say to the gentleman from Montana that the income from all these grazing lands in the 10 Western States from grazing fees is about \$850,000 a year, 50 percent of which goes to the Federal Treasury, and the other 50 percent going to the States. However, the money that goes to the States is used to improve these very lands.

The fact of the matter is that the States put most of the money allocated to them in improving the Government lands in these grazing districts, in providing dams for water, in building fences, and in making many other improvements to make the land usable for grazing purposes.

Mr. MANSFIELD of Montana. Mr. Chairman, if the gentleman will yield further, I want to agree with what the

gentleman says, and so far as the disposal of the funds to the States is concerned. What we are doing is to help create and perpetuate more wealth in land and the soil. Is it not true that if the committee recommendation goes through, the Grazing Service will be practically wiped out and its value reduced to just about nothing?

Mr. BARRETT of Wyoming. The gentleman is absolutely right, and we might just as well cut off the entire appropriation as to take the amount reported in this bill.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the gentleman from Colorado.

Mr. GILLESPIE. I wonder if some of these eastern gentlemen who objected to this amendment realize that the federally owned lands in the State of Wyoming alone are greater than the entire area of the State of Pennsylvania?

Mr. BARRETT of Wyoming. And New York, if I may add.

Mr. GILLESPIE. Another question I would like to ask: With the scarcity of food and grains for feeding livestock at the present time, why can we not realize that grazing is the only thing that the cattle industry has to fall back on?

Mr. BARRETT of Wyoming. The gentleman is exactly right.

I want to call attention to the fact that these Taylor grazing lands in Wyoming cost the United States Treasury a loss of \$39,000 last year because the grazing fees were insufficient by that amount to cover the cost of administration allocated to them. However, the last 2 years the Government received \$4,000,000 per year in oil royalties from these very same lands. It is ridiculous to come in here and say, "Well, we lost \$39,000 because of the fact that we did not get enough income off of the surface, but we are not going to mention the fact that you fellows in Wyoming paid in over \$4,000,000 from the oil produced on this land."

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the gentleman from Utah.

Mr. GRANGER. Is it not a fact, also, that the committee is in error when it charges all the operations to grazing? Is it not a fact that about 30 to 35 percent of the money spent for public improvements is for public use and public benefits outside of grazing?

Mr. BARRETT of Wyoming. That is exactly right. My colleague from New York the other day went on to say, "You had some CCC boys working out in Wyoming." Well, they had millions of them working in New York, too, but he forgets all about that.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the gentleman from Washington.

Mr. HORAN. Coming from the roof garden of the world, I know that the waters that are used by the people further down in altitude in Wyoming are benefited by the great protection that the watersheds have given under the administration of this act; is that not so?

Mr. BARRETT of Wyoming. That is exactly right. I want to call your attention to the fact that this Congress has seen fit to subsidize the production of meat. The subsidy did not go to the stockmen of the West. It went to the consumers. It seems foolish to me to subsidize an industry to make meat cheaper to the people and at the same time to force through legislation that will materially raise the costs of producing that same meat.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. D'EWARD. Mr. Chairman, I have read the report from the Committee on Appropriations on the Department of the Interior appropriation bill. I have read the Record made day before yesterday on the floor and, while I can perhaps congratulate the individual members of the Appropriations Committee on their sincerity, I am forced to the conclusion that has been expressed by other western Members—that my good friends from the East and the Middle West really have little understanding of the real purpose of the Taylor Act—the functions of the Grazing Service that administers the act within grazing districts, the remaining public domain, and the western range livestock men who depend for their livelihood and very existence on the use they can make of the public domain in connection with their owned or controlled ranch property.

First, the remaining public domain, both in and out of grazing districts, is the remnant of the public land, a major part of which is too poor to go into private ownership and support taxation. The poor land, the left-over land, is unfit for agriculture except under irrigation, yet absolutely essential to furnish approximately one-third of a year's grazing, mostly in the spring, fall, and winter months, for the 22,000 users who raise the feeder beef and lambs which are often finished on the midwestern and eastern farms and feedlots.

This is the same public domain that furnishes the land for reclamation projects, the same public land that produces oil and gas, coal, shale, and all kinds of metallic and nonmetallic minerals. You see, the range livestock men only get to use the remaining public land when it actually has no so-called higher use than for grazing. The range livestock men only get to use what no one else wants.

Yesterday my good friend, the gentleman from Oklahoma [Mr. JOHNSON], when explaining the maladministration of the Grazing Service, said they had established 57, 58, or 60 offices in grazing districts. There have actually been 60 districts set up and 57 have district offices. But do you gentlemen know that the grazing districts range in gross area from somewhat less than 1,000,000 acres to as much as 12,000,000 per district? The District of Columbia, when originally established with its 10 miles square, had a gross area of 64,000 acres. For example, in my State there are 6 grazing districts that average in size from approximately 1,120,000 gross acres to 9,100,000 gross acres. The total area within grazing districts in my State is more than 31,968,000 acres. So you may

visualize this, let me say that the total area of Montana is almost one and one-quarter times as large as the combined area of both Oklahoma and New York and the area in the six grazing districts alone is larger than the State of New York. Yet the Grazing Service, with generally one man and one clerk, or at the most two men and a clerk in the larger districts, together with a small staff in the regional office at Billings, are trying to the best of their ability to administer this vast area and regulate grazing use of Federal range used by more than 3,200 livestock men who operate some 264,000 cattle, 25,000 horses, and 1,054,000 sheep.

There are less than 30 permanent employees of the Grazing Service in my State. I know many of them well and, even though handicapped by lack of funds, I personally know that they are doing a job that anyone could be proud of. Hours of the day and 5-day work-weeks do not seem to mean any more to them than they do to the sheep, the cattle, and the land they administer. And, by the way, in the district offices, generally manned by a district grazier and a clerk, they not only work right on the ground with the livestock men but attempt to see that the range resources are so used that the broad principles of real conservation and proper land use are carried out.

The gentleman from New York [Mr. ROONEY] has placed a great deal of emphasis on the large stockmen and calls attention to a list of 50—out of 22,000—that are listed on page 169 of the hearings, places extra emphasis on an outfit, the Utah Construction Co. in Nevada, formerly a 30,000-cattle outfit. A call to the Grazing Service informs me that this outfit has now been sold and is being cut up into eight or nine smaller outfits. Also, great emphasis is placed on large outfits being represented on advisory boards. The advisory boards are a part of the Taylor Grazing Act itself and have proven invaluable in assisting the Grazing Service in all matters regarding overall administration. There is an advisory board in each district elected by the users themselves and they represent all sizes and classes. Great emphasis has also been placed on the fact that 23 percent, or 5,164, of the users own 77 percent of the livestock. This is true, but let us consider that this group represents all those users who operate over 200 animal units, with an average size of 557 animal units. An animal unit is one cow, or one horse, or five sheep, or five goats. It is also true that the average size of the 22,000 outfits using grazing-district land is only 170 animal units. The vast majority of users—the 77 percent, or 17,392 users—who operate 200 or less animal units, only operate an average of 55 animal units. Furthermore, I cannot see what this has to do with the Grazing Service appropriations. The job to do remains to be done. We are told that a relatively few control the wealth of the Nation; few large corporations control power. We could continue indefinitely to show that in many lines of endeavor a minority has more worldly goods than the majority, but that should not pre-

vent proper appropriations from being made to protect a national resource and prevent proper range distribution to the vast majority of range livestock men who use the Federal range in grazing districts.

Now, for a minute, let us look at the estimated income from a well-managed livestock outfit with a capital investment of from \$30,000 to \$50,000 in land, water, and equipment, operating 300 cattle or 1,500 sheep. From long-time studies made in normal times, and with minimum amounts of droughts, death losses, predators, and poisonous weeds, an operator might reasonably expect an average income of somewhat less than \$3,000 a year from his livestock with which to pay living expenses, interest, taxes, and educate his family. These are the average range livestock men we are talking about—the cattle barons. I am interested in the welfare of the livestock industry as a whole, but the five-thousand-odd users whom the gentleman from New York [Mr. ROONEY] talks about that control 77 percent of the livestock only represent 23 percent of the users. The other 77 percent are the small ones that generally have to supplement their income from other sources, and to remove the safeguards and the benefits that have accrued to them by the operation of the Taylor Act would spell disaster. Without adequate funds for administration and a return to uncontrolled use, thousands of livestockmen would be forced into liquidation.

The CHAIRMAN. The Chair recognizes the gentleman from Nevada [Mr. BUNKER].

Mr. BUNKER. Mr. Chairman, in the general debate on Wednesday explaining the reductions applied in this bill, this statement was made and I quote:

I measure my words when I say that no agency is hurt or even crippled.

How can he make such a statement when on page 7, line 23, the bill allows only \$212,500 for salaries and expenses for the Grazing Service. This amount is in contrast to \$1,121,470 allowed in the appropriation act for the current fiscal year, besides \$50,000 for fighting fires which has also been eliminated from the bill, and \$1,504,000 plus \$50,000 for fighting fires that was allowed in the Budget estimate submitted by the President for the fiscal year 1947. That, Mr. Chairman, is a reduction in the bill of more than 80 percent. Such a cut will not cripple the Grazing Service. It will wipe it out of existence because it leaves little more than enough to pay off the employees who would have to be discharged and close up shop. It will destroy the administration of the public grazing lands in the West.

It is true that the bill carries an additional \$205,000 for range improvements and \$7,500 for the leasing of grazing lands but neither of these amounts is available for administration, and even these funds could not be administered without the salaries and expenses appropriation.

It is my feeling that perhaps much of the criticism of the Department of the Interior, and the Grazing Service in par-



ticular, is based upon unfriendly feeling toward the former Secretary of the Interior, Harold L. Ickes, under whose supervision the administration of the Taylor Grazing Act was established. But his day in the Department of the Interior is passed. We now have a new Secretary—a man who is recognized for his administrative ability—a man in whom we can have faith to do a good job in administering the Grazing Service as well as all of the other affairs of the Department of the Interior. But how can he do so if we cut off the appropriations of the Grazing Service at the pockets?

He did not make the statement 12 years ago that \$150,000 was all that it would cost to administer the Taylor Grazing Act. I believe it should be clear, and it has been proven by the willingness of Congress to provide far greater funds every year in the past, that it is unreasonable to expect that the big job of administering 143,000,000 acres can be accomplished with the amount provided in this bill.

I have heard some criticism of the Grazing Service, but it has been no more, if as much, as the criticism I have heard of other similar agencies. It is an American trait to criticize and that is the way improvements are accomplished. But considering the difficulties of the job the Grazing Service has to do and the tremendous size of the job, the surprising thing is that criticisms have not been far greater. It is an indication that the Grazing Service is not doing a bad job.

In my opinion, it is not the solution to wipe out the Grazing Service by such a drastic cut of appropriations. A far better and the fair thing to do is to appropriate the funds that have been requested so that the new Secretary, Mr. J. A. Krug, may have the opportunity to correct any bad administration if it exists. I am convinced that the people of the West, or of the country as a whole, do not want to go back to the conditions that prevailed on the public domain before the Taylor Grazing Act was passed just 12 years ago.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. BUNKER. I yield to the gentleman from Iowa.

Mr. JENSEN. May I ask the gentleman if he does not feel that the people who use the grasslands of this Nation, approximately 140,000,000 acres, should at least pay the administrative costs of the Grazing Service? Is not that a fair question?

Mr. BUNKER. Yes; that is a fair question, and my answer is no, not entirely. Some of these lands are much more valuable for grazing than other lands. Some of these lands could not possibly pay the administration costs. Some of them could. So, on the over-all picture, I would say no, they could not pay the costs of administration.

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico [Mr. FERNANDEZ].

Mr. FERNANDEZ. Mr. Chairman, I rise in support of the amendment.

The distinguished chairman of the subcommittee, for whom I have the greatest admiration and respect, said on

Wednesday that it was contemplated when the Taylor Grazing Act was passed that it would cost only \$150,000 to administer. The committee report carries this statement:

In its report on the 1946 bill the committee called attention to the statement of the author of the Taylor Grazing Act, the late Edward T. Taylor, a former chairman of the Appropriations Committee, who, in appearing before the Senate Committee on Public Lands and Surveys on April 20, 1934, quoted a former Secretary of the Interior as stating he could administer 173,000,000 acres for \$150,000 a year in conjunction with the Forest Service.

Certainly the Honorable Edward T. Taylor believed that, or he would not have presented that statement to the Senate committee at that time. But the fact remains, as I reminded this House last year when a similar statement was made in their report, the record of the hearing on the Taylor Grazing Act shows that the representatives of the Forest Grazing Service testified before the committee that it would cost over a million dollars to administer these lands, and that Service had had years of experience. The years since have proved that the Grazing Service was right. Therefore, the House of Representatives knew at the time it passed the Taylor Grazing Act that it would cost that much money. If now the House has come to the point where it feels we should not appropriate the \$1,000,000 for that purpose, then for heaven's sake do not turn it back into a dust bowl. Let us return it to the States where the lands are located. We will take care of them and we will be satisfied.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield.

Mr. JENSEN. Are you recommending that the States have supervision over the grasslands within the States?

Mr. FERNANDEZ. I am recommending that if we are not going to take care of these lands and if you are going to permit them to go back into the eroded and terrible situation in which they were after 40 years of free grazing, then for goodness sake turn them all back to the States. We will administer them and we will be satisfied.

Mr. JENSEN. Does the gentleman realize that if the States have the authority over the grasslands they will charge about five times more for the grazing that is done on the land than is being charged today?

Mr. FERNANDEZ. When those lands have been recuperated and made as good as other lands in private ownership or under State administration now, then I say they should charge that much more, and we certainly will when they have been recuperated to that point.

The item of \$217,500 for salaries and expenses for the Grazing Service in line 23 of page 7 of the bill represents a reduction of \$908,970 below what was appropriated for the Grazing Service for the current fiscal year, including the Pay Act increases. It is \$1,291,500 less than recommended by the Bureau of the Budget for the fiscal year 1947. Its effect will be practically to eliminate the administration of 143,000,000 acres of

public grazing lands in 10 Western States.

Does this body stand ready to take such a backward step?

For more than 60 years we had no regulation of grazing on our public lands. The local settler seeking a living by grazing cattle or sheep on his small ranch and the adjoining public land was at the mercy of the tramp operator or the big operator who brought his livestock and grazed to the very door of the small rancher. There was no stability for the rancher who was dependent on the public grazing land. Neighbors often fought each other by overcrowding the range. Most of all, the range itself was being pounded to dust.

Then in 1934 the Taylor Grazing Act was passed. Now after 10 years the ranchmen and farmers who are dependent on the lands have become fairly well stabilized. Destruction of the range by overcrowding has largely been eliminated. The soil is being protected from excessive erosion. The little fellow now has equal opportunity with his bigger neighbor. The forage resources are being restored.

The Grazing Service has done a good job with the small means at its disposal to establish order where chaos reigned before. The action recommended in this bill means that the present administration will have to be discontinued and it will mean the restoration of the unsatisfactory conditions which prevailed before the Taylor Act was passed.

I do not say that the Grazing Service has not made some mistakes. But, by and large, it has done a good job and needs the support and not the condemnation of Congress. I hope that the House of Representatives, after it has had time to consider the matter more fully, will agree that we cannot afford to abandon the administration of these lands which are so vital to the whole economy of the West.

The CHAIRMAN. The Chair recognizes the gentleman from New York, a member of the committee [Mr. ROONEY].

Mr. THOM. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Ohio.

Mr. THOM. Mr. Chairman, it has just been announced in the Senate of the United States that John L. Lewis has agreed to call the coal miners back on Monday with the understanding that a 12-day truce will be observed, during which time efforts will be made to work out an agreement.

Mr. ROONEY. Mr. Chairman, I am very glad to hear the announcement just made by the distinguished gentleman from Ohio. I trust that both sides are able to get together during the truce and work out an agreement satisfactory to each.

With regard to the Grazing Service, let me say at the outset that I do not now have and never have had any unfriendly feelings for former Secretary of the Interior, Mr. Ickes. The Grazing Service was originally instituted by Congress with the idea that it would be self-liquidating and would not cost the taxpayers of this country one nickel. At the time the

Grazing Service was first being considered, the then chairman of the Subcommittee on Interior Department of the great Committee on Appropriations, Hon. Edward T. Taylor, the author of the Taylor Grazing Act, on April 20, 1934, made the following statement:

Secretary Ickes says he has the necessary force and he fully believes that he can administer 173,000,000 acres for \$150,000 a year in conjunction with the Forest Service—

During additional hearings before the Senate Committee on Public Lands on the same day, Senator McCARRAN, of Nevada, asked the following question of Secretary Ickes and received the following answer:

Question. Have you any definite policy in your mind, or any policy at all, Mr. Secretary, as to the cost of the administration of these matters?

Secretary ICKES. Our estimate is that it will cost \$150,000 a year.

Now, instead of \$150,000 a year it has cost the taxpayers of this Nation in appropriations, since the year 1936, the sum of \$10,053,960.

Mr. BUNKER. Mr. Chairman, will the gentleman yield for a question?

Mr. ROONEY. I am sorry that I do not have the time. I would like to yield, but I cannot. I did not interrupt the gentleman or any of the other gentlemen who spoke in favor of the pending amendment.

The committee a year ago pointed out its fear that the Grazing Service would never become self-liquidating; that it was an imposition on the taxpayers of this country and would continue to be until fair and equitable grazing fees were fixed. Every Member representing the States involved will tell you that the grazing fees should be substantially increased, and that the huge amount appropriated for the Grazing Service each year is totally out of line to what the Service is worth.

I will quote from a speech of Senator PAT McCARRAN of Nevada, made in the Senate of the United States on Tuesday, December 19, 1944:

When the Taylor Grazing Act was under consideration, Secretary Ickes and his spokesmen repeatedly told the committees of Congress that the cost of administering the act would not exceed \$150,000 per year. But in 1935, when the first regular appropriation for administration of the Taylor Grazing Act was presented to Congress, the estimate was for \$250,000 instead of \$150,000. Spokesmen for the Department defended the estimate with the statement that the process of organization was expensive, and that the cost would decrease in subsequent years.

He further said:

Secretary Ickes testified that it would not be a separate set-up or a new bureau. He was then asked: "You think it could be administered by the same organization?" To this, Secretary Ickes replied: "Yes, without additional expenditure."

The cute little kitten has now grown to the stature of a hungry lion. This year the Grazing Service requested appropriations amounting to \$2,648,000, \$777,000 of which is for soil and moisture conservation. I am not in favor of wiping out the Grazing Service, but I am in favor of their putting their house in order. This will only be done if we

take the action proposed by the committee. The result will be an increase in grazing fees, to be paid by companies who can well afford to stand an equitable increase. Private grazing lands, grazing lands owned by States, and those under the jurisdiction of the Forest Service bring five and six times the present fees charged by the Grazing Service.

I ask you to vote down the amendments offered by the gentleman from Idaho and the gentleman from Utah. This is the only way we will get an increase in the fees.

The CHAIRMAN. The time of the gentleman from New York [Mr. ROONEY] has expired.

All time has expired.

Mr. ROBINSON of Utah. Mr. Chairman, I rise to announce that I will accept the amendment offered by the gentleman from Idaho [Mr. DWORSHAK].

The CHAIRMAN. The question is on the amendment to the amendment.

The question was taken; and on a division (demanded by Mr. ROONEY) there were—ayes 41, noes 29.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I demand tellers.

Mr. KEEFE. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-seven Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 113]

Adams	Gossett	Morgan
Allen, Ill.	Grant, Ala.	Norton
Anderson, Calif.	Grant, Ind.	O'Hara
Andrews, N. Y.	Griffiths	Patrick
Baldwin, Md.	Hale	Patterson
Baldwin, N. Y.	Hall, Edwin	Peterson, Fla.
Barrett, Pa.	Arthur	Philbin
Bell	Hall	Phillips
Bender	Leonard W.	Price, Fla.
Biemiller	Halleck	Rains
Bland	Harness, Ind.	Rayfiel
Bloom	Hart	Reece, Tenn.
Bonner	Hartley	Rodgers, Pa.
Bradley, Mich.	Hébert	Roe, N. Y.
Buckley	Heffernan	Russell
Butler	Hendricks	Shafer
Byrne, N. Y.	Herter	Sheppard
Cannon, Fla.	Hinshaw	Sikes
Chapman	Hoch	Simpson, Pa.
Clark	Hope	Slaughter
Cochran	Jarman	Stevenson
Coffee	Johnson, Ind.	Stewart
Combs	Keogh	Summers, Tex.
Cooley	Kilday	Thomas, Tex.
Courtney	Kinzer	Tolan
Curley	Kirwan	Torrens
Daughton, Va.	Klein	Traynor
Dawson	Kopplemann	Vinson
Dingell	LaFollette	Voorhis, Calif.
Drewry	Landis	Wasielewski
Durham	Lane	West
Eaton	Lea	White
Elsaesser	McCowen	Whitten
Engle, Calif.	McKenzie	Whittington
Fuller	Madden	Wilson
Gavin	Maloney	Winter
Gearhart	Mansfield, Tex.	Wolcott
Gillie	Marrow	Wolfenden, Pa.
	Miller, Calif.	Zimmerman
	Monroney	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H. R. 6335, and finding itself without a quorum, he had directed the roll to be called, when 313 Members responded to

their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The SPEAKER. The Committee will resume its sitting.

The CHAIRMAN. The gentleman from Oklahoma [Mr. JOHNSON] demands tellers on the amendment offered by the gentleman from Idaho [Mr. DWORSHAK] to the amendment offered by the gentleman from Utah [Mr. ROBERTSON].

Mr. GRANGER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. GRANGER. As I understood the situation when the quorum was called, the Chair had already announced that the amendment offered by the gentleman from Idaho to the amendment had been agreed to; and the request comes too late.

The CHAIRMAN. The Chair had announced that on a division the amendment to the amendment had been agreed to. Thereupon, the gentleman from Oklahoma [Mr. JOHNSON] demanded tellers. At that point a point of order was made that a quorum was not present.

The gentleman's demand for tellers is now pending.

Tellers were ordered; and the Chairman appointed as tellers Mr. JOHNSON of Oklahoma and Mr. DWORSHAK.

The Committee again divided and the tellers reported that there were—ayes 78, noes 91.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Utah [Mr. ROBINSON].

The amendment was rejected.

The Clerk read as follows:

Surveys and investigations in Alaska: For expenses necessary for land classification and forest and range surveys and inventories in Alaska, \$50,000, to be immediately available.

Mr. BARTLETT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am disturbed over the drastic reduction in the funds requested by the General Land Office for "Surveys and investigations," since this item vitally concerns Alaska. While I believe that there is merit in the request to plan for the suppression and prevention of coal fires on the public domain, for planning for soil and moisture conservation and range improvements, and for the development and utilization of our timber resources on a sustained yield basis in the continental United States, I am, quite naturally, particularly concerned with the reduction in the item for land examination and range and timber inventory in Alaska.

We will be derelict in our duty to our returning veterans if we neglect any phase of the work required to assist their settlement in Alaska. This is the last frontier, the only large area of public land offering material possibilities for homestead and other public land settlement. Thousands of veterans have expressed an interest in settling in Alaska. We should help them in every way we can.



The Subcommittee on Interior Department Appropriations made a trip to the Territory last summer, and therefore has first-hand knowledge of what needs to be done. I am gratified to see that they have approved an item for \$50,000 for land examination by the General Land Office. This is a sum which I am sure will be used to good advantage in finding and examining lands suitable for settlement. However, it falls far short of the amount of \$158,000 allowed by the Bureau of the Budget primarily for the examination of areas which are potentially suitable for settlement. I believe this is the time to undertake the full job of land examination, because in this coming season we will witness a large migration to Alaska with an attendant large demand for settlement lands.

And I am also disturbed by the lack of funds for the proposed timber and range inventory. Settlement in Alaska cannot stand alone on agriculture; it must also have an industrial base to make it stable. The utilization of the timber resources, through the establishment of sawmills, woodworking plants, boat building, and the like is needed. We also need to know how much we have of grazing lands in the Territory, for many of our veterans are interested in livestock production, in cattle and in sheep.

The settlement of Alaska will be a gradual process. But I submit that this year is a critical time in its settlement history. What we do now, or fail to do now, will have a continuing effect on the future of settlement.

I view with alarm any action which will restrict the General Land Office program of land examination and timber and range inventory in Alaska, work which is so vitally needed at this time.

Mr. BUNKER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the spectacle of Congress patting an efficient Government agency on the head with one hand while slitting its financial throat with the other would be entertaining were it not for the fact that forcing a \$730,000 reduction in funds for the operation of the General Land Office in the Department of the Interior is a matter of serious concern for every western State which depends upon the use of the public lands and their resources for their economic and industrial existence. In reporting the Interior Department Appropriation bill to this body the committee called attention to the fact that the General Land Office "collected revenue from the sale of land, leases, permits, and so forth, totaling in excess of \$13,000,000 during the fiscal year 1945." This amount represented a cash return of \$5.66 for every dollar of expenditure made in the operation of that Bureau in that year. The report says:

The committee again wishes to commend this Office for its splendid showing in this connection.

Mr. Chairman, actions speak more eloquently than words and it is the action of the committee in reducing the appropriation for this bureau below the levels suggested by the Bureau of the Budget which actually counts. It is, of course, unnecessary and impossible to go into

the detailed effect of this reduction upon the operations of the Office, which are so essential to the well-being of our Western States. I do, however, want the House clearly to understand what the effect of these reductions upon the economy of the West will be if the recommendations of the House Committee are permitted to stand.

Take, for instance, the proposal of the committee to reduce appropriations for salaries and expenses of the General Land Office by \$125,000 below the Budget estimate. This item provides for the operations of the Washington headquarters of this public land administration agency, whose 3 branches and 12 divisions are called upon to handle literally thousands of cases each year. During the war the bulk of the nonmilitary work had to be laid aside. Careful plans had been laid to begin clearing away as much of this backlog as possible while keeping abreast with current work during the 1947 fiscal year. The accomplishment of this work program would mean that hundreds of opportunities for the development of the petroleum, mineral, and other resources on the public lands would be presented during the year. This, in turn, would mean a substantial revenue to the Federal Government from royalties and rentals resulting from such increased production. It is the kind of program concerning which the committee made its commendatory remarks. The program cannot be carried out unless the full amount of the Budget estimate is restored in the bill. The effect of the proposed curtailment upon the development of these resources which form so great a part of the fuel supply and economic lifeblood of the West is too obvious to need detailed discussion.

But this, Mr. Chairman, is only one angle of the General Land Office's activities in the administration of the public land. Experience gained through literally generations of its operations produced the closely knit, streamlined organization in which any curtailment of efficiency in one of its branches is reflected in the standards of service rendered by another. For this reason the reductions made by the committee in the several items in this appropriation are more than ordinarily damaging in effect.

This clearly is demonstrated by an examination of the reduction of \$255,398 below the Budget estimate for the item "Surveying the public lands." The measurement and identification of these lands is an essential step required by Federal law before the area can be made subject to the provisions of the many public-land statutes. Thus, without an initial survey none of the leases and other negotiations producing revenue to the Federal Government can be consummated. The full benefit cannot be secured under a reduced appropriation which denies funds for adequately meeting the war-accumulated backlog of work involving 41,000,000 acres of land-survey projects, to say nothing of the current land-identification problems inherent in the postwar conversion period.

The first contact which your constituents and mine have with the Federal Government in the administration of the

public lands in the West is through the district land offices maintained in 13 of the Western States. The service rendered by these offices ranges from the furnishing of authentic official information concerning the technicalities of public land laws to the handling of applications for the use, lease, sale, or exchange of the public domain. The heavy demand from war veterans for assistance in ascertaining opportunities for land settlement in the United States and in Alaska places a corresponding responsibility upon these offices which cannot adequately be met if the committee's proposed reduction of \$16,000 in this item for salaries and expenses of district land offices is allowed to stand.

Another element in this coordinated public-land administration service is threatened with reduced efficiency by the proposed reduction in appropriations for the Branch of Field Examination below the Budget estimate. The work of this Branch encompasses the accurate ascertainment of facts in connection with proposals for use of the public lands and the protection of the public domain from trespass and other infringements upon the Federal statutes affecting the areas. Much of this work entails extensive travel in out-of-the-way places of the West in order that the public may benefit financially and economically from the resource developments resulting from the identifications. It is essential that adequate facilities be provided to maintain this force in a highly mobile condition. This cannot be done if the reduction in the item proposed by the committee is accepted.

In all fairness, Mr. Chairman, I maintain that both from the standpoint of the benefit to the Federal Treasury and the rights of the public in the Western States to all possible assistance in securing the utmost good from the proper conservation and use of natural resources in the public domain, the House should not concur in the recommendations of the Appropriations Committee. On the contrary, I am convinced that it will be in the best public interest to insist that the full amount recommended by the Budget Bureau be provided for the operation of the General Land Office during the 1947 fiscal year.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. BUNKER. I yield to the gentleman from Iowa.

Mr. JENSEN. I want the Committee to know and I want the country to know that this committee allowed this year about \$400,000 more for the General Land Office than the General Land Office had in appropriations last year.

Mr. BUNKER. That is beside the point. The fact is that you cut them below what is actually needed.

Mr. ROBINSON of Utah. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, because no portion of the public land can be put to beneficial use under our national conservation policies until it first has been officially surveyed by the Government, the reduction of more than \$250,000 in appropriations below the Budget estimate for surveying

the public lands is a matter of serious concern to individuals and industries in the Western States which depend upon the use of the public domain for their livelihood and economic advancement. Literally thousands of war veterans too will find their opportunities for establishing homes on the public land in the United States and in Alaska sharply restricted if the recommendation of the Appropriations Committee is accepted by the House.

This situation is made unmistakably clear by even a cursory examination of the problem confronting the General Land Office in this field of its activities and the funds proposed to be made available by the committee for the accomplishment of the work. The Bureau of the Budget recommended an appropriation of \$750,000 for surveying the public lands; the committee proposes an appropriation of \$494,602.

The General Land Office is the only Federal agency constituted by Congress to execute surveys and resurveys of the public domain in the United States and Alaska. These surveys are necessary to define the areas included in mineral and grazing leases, determine boundaries of lands involved in timber sales and, in fact, are needed in connection with the administration of all the revenue-producing public land laws. As in the case with other branches of the General Land Office, the survey work of the Cadastral Engineering Service during the war years was limited to projects directly connected with the military program. As a result thousands of projects aggregating more than 41,000,000 acres of land await the official survey or resurvey essential to their administration by the various land management agencies of the Federal Government. None of these projects has been established by the whim of the General Land Office; on the contrary, they are items of work definitely required, either by departmental instructions, Executive orders, or congressional enactments. Little, if any, progress can be made in clearing away this tremendous backlog of authorized survey projects if the reduction in appropriations recommended by the committee is allowed to stand. Moreover, the ability of the Office to carry on new survey work, needed during the postwar period, will be sharply curtailed.

Aside from its effect upon the identification of land under the national conservation and reconversion programs, the proposed reduction in funds also will result in less efficient public service rendered by the General Land Office through its public survey offices maintained throughout the West and in Alaska. These offices supply the public and Government agencies with vital technical assistance and information concerning the identification of the public lands.

Carefully laid plans to furnish homesites and other land settlement opportunities for veterans in Alaska will have to be set aside if the reduction in the appropriation is approved by the House. Thousands of acres of land along the Alaska Highway are included in work programs designed to set aside these

areas for veteran settlement during the coming summer. The program of survey activities in connection with this development will have to be clearly reduced if not abandoned altogether if the amount for surveying the public lands is not restored to the total of \$750,000 recommended by the Bureau of the Budget.

**MR. COFFEE.** Mr. Chairman, I move to strike out the last four words and ask unanimous consent to revise and extend my remarks.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Washington?

There was no objection.

PROTECT THE INTERIOR DEPARTMENT—DO NOT  
IMPAIR ITS EFFICACY

**MR. COFFEE.** Mr. Chairman, a slash of 50 percent in 1947 funds for the Department of the Interior is absolutely unwarranted.

Such a reduction cannot be justified under any circumstances unless it is deliberately intended to cripple the Department and prevent it from serving the people of this country in conserving and developing their natural resources.

The Department has undertaken to perform those services in good faith. And let me point out that it has done so at the specific request of this Congress. We granted the funds necessary for the carrying out of these various programs. Now we are asked to suddenly reverse ourselves and bring those programs to a complete standstill or slow them down to the extent that it will be years before they can be completed and before the people can realize the benefits which they will provide.

The President recommended, with the approval of the Budget Bureau, an appropriation of approximately \$347,000,000 for the Department during fiscal year 1947. The committee proposes to reduce that to \$174,652,579, a cut of more than \$172,000,000, or close to a 50-percent slash in the over-all budget. For some of the individual bureaus, the slash was even more drastic.

The Bureau of Reclamation, for example, had its proposed 1947 budget cut by more than \$95,000,000—from \$167,000,000 to \$72,000,000. The Grazing Service was cut from \$1,784,500 to \$425,000; Bureau of Mines from \$20,000,000 to \$11,000,000; Geological Survey from \$13,000,000 to \$7,000,000; Bonneville Power Administration from \$1,784,000 to \$425,000; the Southwest Power Administration from \$23,000,000 to \$3,000,000; Fish and Wildlife Service from \$11,000,000 to \$8,000,000.

To appreciate the significance of those cuts, if not the motives for making them, I ask you to compare them with previous 1947 appropriations made for other departments and agencies of the Government.

The President asked an appropriation of \$1,634,000,000 for the Treasury and Post Office Departments. The House granted \$1,604,000,000. The War Department civil functions appropriations bill was approved at \$301,000,000, only about \$36,000,000 less than requested. The President recommended \$589,000,000 for

the Department of Agriculture, exclusive of special and trust fund appropriations. The House granted \$574,000,000, a reduction of \$16,000,000.

I shall not burden you with further figures on this point, but the ones cited indicate clearly that no other appropriations have been slashed to the degree which it is proposed to reduce the Interior budget.

I hope that the committee will be able to explain to the Members of this House just why they felt it necessary to take the axe to the Interior appropriation bill when other departments escaped relatively unscathed.

May I particularly call your attention to the proposed reductions in the 1947 budget for the Bureau of Reclamation? Its multiple-purpose projects provide irrigation for more than 4,000,000 acres of land and, at the peak of the wartime need, produced almost 14,000,000 kilowatt-hours of electricity, making possible the tremendously increased production of planes, ships, and other munitions of war in the West.

With the end of the war, Congress gave the go-ahead signal for the Bureau to undertake an expanded program for the further development of water resources in the West and to complete projects halted by the war. The Bureau has already launched that program. It is designed to provide farms and jobs for thousands of veterans, to help meet world-wide shortages of food, to stabilize the agriculture of the West and open new markets for the products of other parts of the country, to encourage the development of business and industry, and in other ways help us to utilize to best advantage our tremendous resources for the greatest good to the greatest number and for the benefit of the whole Nation.

I know what that program means to the economic future of the West. It will repay its cost many, many times over. That is why I want to see it go ahead. That is why I do not want to see it crippled and hamstrung by ill-advised cuts in the funds needed to carry it forward.

The masses of the people, unfortunately have no lobby, no costly propaganda machine with which to make their wishes known. But I know that I speak for the people of the Pacific Northwest when I say that we want the Columbia Basin project developed with the greatest possible speed. I am sure that the people of the Plains States want to see the Missouri River put into harness; that the people of California want no slowdown in developing the great Central Valley project.

All these projects have been authorized for construction by the Bureau of Reclamation. Congress has appropriated millions of dollars for their development. What possible justification can there be for now telling the people of the West that we have suddenly changed our minds about these and other projects; that we now want to delay their completion and postpone the date when their benefits can be brought to the people?



The Bureau is aiming at putting 400,000 acres of new land into irrigated farms for veterans on the Columbia Basin project by 1950-51. It has planned its 1947 program accordingly. How can we expect it to accomplish that objective if we cut its 1947 funds from \$30,000,000 to \$13,000,000 as proposed in the committee's report?

The proposed cut in appropriations for the Missouri Basin program—from \$23,000,000 to \$10,000,000—and from \$25,000,000 to \$10,000,000 for the Central Valley project—will seriously retard the work of the Bureau in developing the resources of those basins.

In my opinion, such drastic reductions are not only inconsistent with policies laid down by Congress but violate the principles of good sense and sound economics. If we do not intend to move ahead with these projects, appropriations should never have been made for them in the first place. Since there can be no question as to the need for developing our water resources to the utmost and since no question is raised as to the engineering and economic feasibility of projects under construction by the Bureau, it is our responsibility to see that they are completed and brought into production as soon as possible.

One of the major byproducts in developing the resources of our rivers is low-cost hydroelectric power. We need that power in the West for irrigation pumping and for developing our other natural resources, for building up our towns and cities and electrifying our farms. Moreover, the revenue from the sale of that power developed in connection with multiple-purpose projects helps to pay back to the Federal Treasury the bulk of the cost in constructing these projects. It means the difference in many cases between a subsidized and a self-liquidating project.

Despite that fact, the committee in this bill proposes to eliminate entirely or greatly reduce funds that are needed for the development of power plants and transmission lines essential to the success of many of these projects and plants and lines which have been previously authorized for construction.

Also, in asking us to approve the reductions for such installations the committee, in effect, is asking us to reverse ourselves on principles and policies long established by Congress. I know that this is a highly controversial issue. I know that the private utilities have spent millions of dollars and are ready to spend millions more in lobbying and propaganda activities to prevent the further development of public power projects that will bring the benefits of low-cost electricity to our people. We have fought out the public power issue on this floor many times. This is just another round in that battle. The Power Trust never gives up. What it cannot accomplish in one way it tries to accomplish in another. No matter how beneficial a project may be to the masses of the people, the private utilities can be depended upon to fight it tooth and nail if it interferes with their monopoly or shows a way out for those who are gouged by high rates.

These proposed reductions, therefore, simmer down to the simple question of whether we support the Power Trust or the rank and file of the people of the West who want and need these irrigation and power projects and who want to see their agricultural and industrial resources developed.

I sincerely hope that the Members of this House will not go along with the committee in cutting the heart out of a program which means so much to so many people in the West. I am in favor of making such reductions as may be necessary in less essential items in the Department of the Interior's appropriation bill, but it would be a tragic mistake to make reductions on the unprecedented scale proposed in the report. To do so would be disastrous to the great work the Department and its various bureaus are doing in helping the West to meet the peacetime needs of the Nation.

#### IT IS A GROSS MISTAKE TO CRIPPLE THE RECLAMATION PROGRAM

Mr. Chairman, the action of the committee in slashing the budget of the Bureau of Reclamation, would make it necessary that the Bureau surrender to the power trust vital interests of the people of the West. To cut Reclamation's budget for transmission lines would leave it no alternative but to place the sale of public power in the hands of the same people who have hired propagandists and lobbyists to frustrate the hopes of the people of the West for low-cost electric energy to operate their farms and make irrigation projects economically feasible.

The millions of acres of dry and semi-arid land that have already been irrigated through the work of the Bureau of Reclamation stand as solid testimony to the wisdom of the Congress in giving the work its authorization. And the millions of additional acres which the Bureau proposes to irrigate will extend such benefits to scores of thousands of the American families who want to take to the land as their preferred manner of living.

But without the help of low-cost power this program would be greatly handicapped. Low-cost power means transmission lines to carry the electric energy to the retailers. This is the point at which the private power interests press their greatest opposition. They are perhaps willing to let the Government manufacture power, provided the Government will then immediately sell it to them at the switchboard at the lowest possible rate, so that they can at once turn around and sell it to consumers at a rate calculated to return the biggest dividend to stockholders. They think public power is all right if they can make a profit, but public transmission lines are taboo. Yet, transmission lines are absolutely essential if the reclamation program is to be successful.

In my State of Washington, on the Bureau's Columbia Basin project, rests the welfare of a large section of our people. Approximately 1,000,000 acres of land, covering parts of four counties, are to be irrigated under this great project. This huge acreage, now arid and semi-arid, has prospects for great economic good if the project is developed as it has

been planned. The Appropriations Committee cut the budget for this work from \$30,000,000 for the next fiscal year down to \$13,000,000. At this rate, our war veterans will be old men before they can get their farms. The people in my State want this project carried out as it is planned. They have already seen the rise of diversified livestock and crop farming on land that was once given over to dry farming and sheep grazing. They know of the pasture, cereal, forage and other diversified crops that can be produced on land the Bureau of Reclamation develops. They want the program to go through undiminished in any way. Yet the committee has cut nearly half the appropriations for the work there.

The Columbia Basin program requires power and transmission lines to carry that power to the distribution sources so that it can reach the consumer at the lowest possible rate. Only if the consumer gets it at the lowest possible rate can he make widespread use of it, and widespread use is essential to creating a market that will provide the yield from power revenues that is necessary to help carry irrigation costs. If power is to be put to every use on the land of which it is capable, it must be low-cost Government power. The Nation has an interest, and the Congress has an interest, in seeing that power is so used. It cannot be so used if distribution and rates are left in the hands of private companies whose main interest is to pay big dividend checks.

Every penny the Government lays out for power and transmission lines will come back to the Federal Treasury, with interest. What the Congress appropriates for power is in no sense an expenditure. It is at most a loan to be returned over a period of years. But in the meantime, it will create new opportunities for farm folks, for tradesmen and for professional people, and develop new sources of industry and new sources of business, and provide work for scores of thousands of men.

We are in fact building an empire—building it for our people. To oppose such a program is to oppose the good of the Nation. We in Congress, as the guardians of the Nation's well-being must not permit that to happen.

The Clerk read as follows:

Conservation of health: For expenses necessary for the conservation of health among Indians, transportation of patients and attendants to and from hospitals and sanatoria; returning to their former homes and interring the remains of deceased patients; clinical surveys and general medical research in connection with tuberculosis, trachoma, and venereal and other disease conditions among Indians, including cooperation with State and other organizations engaged in similar work and payment of travel expenses and per diem of physicians, nurses, and other persons whose services are donated by such organizations, and printing and binding; \$5,930,570.

Mr. STIGLER. Mr. Chairman, I move to strike out the last word.

Mr. STIGLER. Mr. Chairman, about a year ago I made my maiden speech on the annual Interior appropriation bill. In that speech I called for certain reforms in the Indian Service. I was sincere in that. A year has passed and I

see some progress, but not enough. I am hoping more will be made during the coming year. At that time a new Commissioner of Indian Affairs was ushered into office. He had not had time to get his feet on the ground, so to speak. We were, and still are for that matter, wishing him well. I want to cooperate with him in every way possible, but apparently, so far as Congress is concerned, he wants nothing, except increased appropriations. For that I am sorry. We realize no one can bring about needed reforms overnight in our Government service, and especially in the Indian Service. It is steeped with too much red tape and tradition. The system is larger than any one man. In my first conversation with the Commissioner after his appointment, I made the observation that many commissioners had come and gone before him; that opportunity was knocking at his door—the opportunity was his. He could either rise above the system or he could let the system absorb him. If he chose the latter he would become just another commissioner, but if he exercised the power given him by Congress, the opportunity was his to go down in history as a great commissioner. I am hoping he exercises that power, Mr. Chairman, as the Indians of our Nation deserve better treatment than they are receiving now.

It would seem that from 1832, when I understand the Bureau of Indian Affairs was first established, the Indian Office would have more to report now than just coming to Congress and asking for increased appropriations. I would have no objections to increased appropriations if they had something to show for it or a planned emancipation program. But, from the record, which I have read since coming to Congress, their popular pastime for the past 10 years seems to be asking for more money—most of which is wholly unjustifiable.

Therefore, Mr. Chairman, I desire to congratulate my distinguished colleague and friend the gentleman from Oklahoma, Chairman JED JOHNSON, and his subcommittee for performing a great service to the Congress and to the taxpayers of this country in writing the Interior Department appropriation bill as they did for the fiscal year ending June 30, 1947. Their courage should be an inspiration to all of us to bring about a balanced Budget at a very early date.

In the bill before us, the Budget estimates for 1947 total \$346,765,830. Think of it. More than twice the amount as the whole legislative body combined—not only both Houses of Congress, but all their employees. The House owes the subcommittee a debt of gratitude. They recommended a sum of \$174,652,579, which is a reduction under the Budget estimates of \$172,113,251. The amount recommended in the bill is a decrease under the 1946 appropriation, including pay act funds, of \$24,201,248.69.

I think it should be sounded from the house tops that the committee effected a reduction in the estimates for every bureau and office in the bill, and that in every instance the reduction is a very substantial one, and I dare say not a single department will suffer. Today

we hear much about reduction of expenditures, but this is the first evidence I have seen since coming to Congress of some committee having the courage of actually doing something about it. Therefore, again I congratulate the committee which handled this piece of legislation.

Since my native State, Oklahoma, has approximately one-third of the Indian population of the United States, and my district being heavily Indian populated, and knowing something personally about the operation of the Indian Service there, I desire to direct my remarks particularly to the appropriations for the Bureau of Indian Affairs.

First, may I point out that the Budget estimates for the fiscal year 1947 for the Indian Service throughout the United States total \$41,393,515, which is a net increase of \$12,196,277 over the amount provided for the fiscal year ending 1946. Of course, our committee did not allow that sum. Instead it recommended \$33,633,787, a decrease of \$9,043,298.

In the face of this, it is very interesting to note in the hearings that the Indian Service requested a total of 1,130 new regular positions. Of these new positions, 443 are for program expansion—whatever that means—and 687 are required to permit the effectuation of the 40-hour workweek pursuant to the provisions of Public Law 106, so the Indian Service says. The only defense the Indian Service has in asking for these new regular positions is that the cost would not be greater by virtue of putting on new positions than it would be to pay overtime. I do not know how it appears to you, but it occurs to me that instead of asking for additional new positions, ways and means should be provided to bring about a reduction in the number of positions and the elimination of duplication. If it means anything to you, the proposed increase involves additional personnel amounting to 1,869 man-years over and above the 9,934 man-years provided in the current law.

#### INDIAN JOB PREFERENCE

Mr. Chairman, I have always been told that the Indian Service in every instance will show preference to those of Indian blood in employing its help. Of the approximately 9,000 employees which the Indian Service has, I note in the hearings that there are only 3,400 Indians employed of one-fourth degree or more. Of this number, 222 are employed at salaries of \$2,500 or more per annum. The salaries of the remainder range from \$720 to \$2,500. The highest salary paid to any Indian in the service now is \$5,600.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, the gentleman from Oklahoma [Mr. STIGLER] is making a very informative statement. He is one of the greatest authorities on Indian affairs in America. I ask unanimous consent that he may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STIGLER. Mr. Chairman, having what is commonly referred to as the "Indian Capital of the United States" in my district located at Muskogee, Okla., which is the third largest city in the State, and knowing something about the employment of Indians there, I would say that when a position is to be filled above \$1,500 or \$2,000, certainly an Indian is not called in to fill it. That condition should not exist and I am hoping that the present Commissioner of Indian Affairs will correct it. If he does not I shall have more to say about it later and cite some concrete examples which I know about personally. And when I make that declaration, they will not be pets of mine.

#### CONSTANT INCREASE IN APPROPRIATIONS

Last year I inserted in my speech on the Interior bill a table showing the appropriations made to the Indian Service over a 10-year period. Mr. Chairman, I should like again to call the attention of the committee to the appropriations during that period:

Fiscal year:	Amount
1932.....	\$36,655,855.11
1933.....	30,707,166.65
1934.....	25,186,168.99
1935.....	25,017,447.71
1936.....	32,672,187.87
1937.....	33,280,504.15
1938.....	47,358,375.37
1939.....	39,719,232.27
1940.....	43,630,229.64
1941.....	39,203,897.49
1942.....	39,373,797.16
1943.....	35,305,829.20
1944.....	37,392,093.49
1945.....	35,991,597.00

It is appalling to note how the appropriations for the Bureau of Indian Affairs have pyramided from 1935. In that fiscal year the total amount appropriated was \$16,275,185, exclusive of tribal funds. For the next fiscal year they wanted \$41,000,000.

#### SCHOOLS

Mr. Chairman, during my early school days one of the first axioms of life I learned and committed to memory was that knowledge is power. I am still committed to that axiom. Therefore, I am especially interested to note that the Indian Service in its budget estimates for the year 1947 asks for \$10,311,470 for education and the committee recommended \$9,600,000. I am sorry it was not more than the budget estimate.

The value of education cannot be estimated too highly. As a matter of fact, I think the salvation of the Indian is through two channels—health and education. If he is given a good education and is taught how to take care of himself from a health standpoint, upon his own initiative he will find a solution to most of his problems.

As a member of the Indian Affairs Committee of the House, and being part Indian myself, I receive quite a few letters from various Indian tribes throughout the United States telling me about their problems. It is hard for me to visualize that some of the conditions they describe exist. I do not see how anyone in the Indian Service, unless they are on the job just to draw salary and increase their power, can sit idly by and not want to do something about it.



While most of the Indian children in my section of the State attend the white schools and we have no especial school problem, yet some of the information I receive with reference to some of the other tribes concerning their educational advantages is very disconcerting, as well as appalling.

For instance, I received a report with reference to the Navaho Reservation schools. I have never been on this reservation, but I read the observations made by the director of elementary education and director of arts and crafts of the New Mexico State Department of Public Education with a great deal of interest. It sounds incredible. I am impelled to give you portions of it.

According to the Navaho agency reports, there are approximately 55,000 Navaho Indians, nearly 12,000 families by ration-book count. Their population is increasing at the rate of about 2 percent or about 1,000 persons annually. This large annual increase indicates about 17 percent more children of school age of the Navaho Indian population than any other nation generally. Hence, a greater proportionate need for school facilities is indicated. To me it is very appalling indeed, and certainly an indictment against the Indian Service that schools do not even exist for three-fourths of school-age Navaho children. Mr. Chairman, every American child should have the opportunity to go to school, and especially those who are now classified as wards of the Government. The latter cannot help themselves, because the Government will not let them.

I am told that the basis of Navaho education by the Federal Government arises out of a treaty that was made between the United States and the Navaho Tribe in 1868. In that year the United States promised the Navaho people that it would maintain 1 school room and 1 teacher for each 30-pupil group between the ages of 6 and 18.

It has been estimated by the Indian Service that there are at least 20,000 Navaho children of school age, about one-half of whom live in New Mexico. There are school facilities for only 5,500 of these children, some 2,000 of whom were in day or community schools in 1944-45 and 3,000 in boarding schools, although the latter only had a capacity for 2,000. About 500 Navaho boys and girls are being educated by the churches of the United States and mission schools on or near the reservation.

Surely the Indian Service is aware of this shocking situation and should do

something more than it has done to bring it to the attention of the Congress of the United States. To me it is more shocking when I learned that only 1 Navaho child out of 4 can go to school on account of 19 out of the 49 Government day schools on the reservation have been closed for lack of funds. I ask you, Whose fault is this?

#### INDIAN CREDIT ORGANIZATION

Mr. Chairman, under authority of the 1934 act, supplemented by the Oklahoma Welfare Act of 1935, an Indian Credit System was established among the Indians. When this system was first inaugurated I had lots of faith in it. I took the officials of the Indian Office at their word—that they were going to use the loan fund as a vehicle for the complete rehabilitation of the restricted Indians, not only in Oklahoma but throughout the country. After reading the provisions of the law, I came to the conclusion that at long last the Indian Service had promulgated a program which would not only completely rehabilitate the Indian but would bring about his complete emancipation from Government supervision within due course of time.

In this I was soon to be disillusioned as I saw the operation of the credit association so rooted down with unnecessary rules and regulations that scarcely any Indian wanted to have anything to do with it. Instead of having a simplified loan procedure, the original rules, regulations, and applications contained many pages, and I am informed that the application for a loan itself contained six pages which had to be signed in quintuplicate and every conceivable question was asked. No wonder the Indian got disgusted with his Government and began to look elsewhere for immediate relief. I remember some instances in my own country where a full-blooded Indian would apply for a loan and it would be some 6 or 9 months before his papers would finally come through. Such slowness is inexcusable.

Being intensely interested in the successful operation of the credit association, which was organized by the Indians in most of the counties in the old Choctaw-Chickasaw Nations, I wrote to the Commissioner of Indian Affairs for a complete break-down of the loans made by the credit associations in each one of the eight counties I have the honor to represent. That information was furnished me under date of December 21, 1945. At this point I would like to insert the table containing this information:

I think it is significant to note that since the credit associations were established as up to December 21, 1945, only 612 loans were made to Indians in my eight counties. The credit association in my own county, Haskell, was declared in default April 20, 1942, and since that time loans have been made in that county direct from the United States Government.

In addition to writing the superintendent for complete information relative to the operation of these associations, I also wrote to the officers of all the credit associations in each of my counties asking them to point out the defects in the system. A very generous response was given to my questionnaire. Upon receiving this information I then wrote to the Commissioner, submitting to him for his consideration the following recommendations:

First. The need of an Indian farm agent in each county is urgently requested by the majority of the members of the associations.

Second. The forms now used by the Indian Credit Association should be greatly simplified and be made more streamlined. Too many signatures of the applicant are required. There is positively too much red tape, which should be eliminated at the earliest possible date.

Third. There should be provisions made for loans for the purchase of land.

Fourth. Chicago and Washington approvals should not be required on any loan made but approval should be more localized.

Fifth. There are many inconsistencies in the regulations. The number should be reduced to the lowest minimum and should be stated in such simple language anyone could understand.

Sixth. At times the Government officials who have charge of these loans manifest personal prejudice.

Seventh. Only \$2,000,000 used in 10 years out of the \$12,000,000 authorized.

Eighth. Takes entirely too long to get loan through.

Ninth. The credit association should operate more along lines of production credit association, which appears to be operating very successfully.

Tenth. The credit board should have more authority.

Eleventh. Loans for \$200 or less for 1 year should be approved locally.

Twelfth. The pay of the board of directors of the association should be on an annual basis and not by the present method.

Thirteenth. It seems to be the unanimous opinion of the members of the various credit associations that the district office, so far as loans are concerned, should be entirely eliminated.

I further stated in my letter to the Commissioner that I would be more than glad to discuss these recommendations in detail with him at his convenience. The only attention paid to my recommendations, with very few exceptions so far as I know, was a gracious acknowledgment of my letter by the Commissioner.

Notwithstanding this, Mr. Chairman, I expect to continue in my efforts to help

	Loans by credit associations		Loans by United States		Total	
	Number	Amount	Number	Amount	Number	Amount
Adair County.....	234	\$111,119.70	—	—	234	\$111,119.70
Cherokee County.....	113	52,372.68	—	—	113	52,372.68
Haskell County.....	34	22,607.82	—	—	34	22,607.82
McIntosh County.....	—	—	30	\$26,998.25	30	\$26,998.25
Muskogee County.....	—	—	49	28,726.52	49	28,726.52
Oklmulgee County.....	26	20,972.09	11	7,271.58	37	28,243.67
Sequoyah County.....	—	—	49	31,388.13	49	31,388.13
Wagoner County.....	53	28,803.74	—	—	53	28,803.74
—	—	—	13	8,892.27	13	8,892.27
Total.....	460	235,876.03	152	103,276.75	612	339,152.78

bring about a complete reorganization of the Indian Service, elimination of all the overlapping agencies, simplifying the rules and regulations, investing more authority in the superintendent and field clerks, and getting away from the idea that all final decisions must be made in the Chicago or Washington office. If this were done, I am sure it would not be very long before a considerable improvement would be noted.

#### SOIL CONSERVATION

I am told that in Oklahoma there are approximately 2,979,000 acres of Indian lands that, generally speaking, are in need of soil and moisture conservation operations.

In the bill before us I note there is an appropriation made under this subject matter in the sum of \$98,700 for departmental personal services including such services in the District of Columbia, and a total appropriation of \$1,509,830.

I do not know what the condition is in other States having an Indian population, but I know in the eight counties which I represent the Department of Agriculture has one of the finest soil-conservation services that is obtainable. I further note that the Indian Soil Conservation Service of Muskogee, Okla., which has jurisdiction over my eight counties, is inadequately equipped and wholly understaffed to meet the demands which are made. I have many Indians ask me why they cannot go to the regular Soil Conservation Service and obtain assistance from them instead of having to depend upon the inadequate service of the Indian Service.

It would seem to me, Mr. Chairman, that here is a duplication of service that is wholly unjustified and could be eliminated. Certainly the service cannot be improved unless Congress appropriates more money. I am a great believer in the conservation of our natural resources and think that the conservation of our soil is one of our greatest assets. Therefore, I would like very much to see the Indian given the very best of soil-conservation service so he will be able to bring about a more productive yield from the soil he tills.

#### INDIANS IN THE WAR

There is one record that the Indian Office did not help make, so far as the Indian himself is concerned. It is another instance where the individual Indian upon his own initiative, without the help of his mythical great white father, made the record which we have before us today. That record deals with heroism and sacrifice. I would like to pass part of it on to you this afternoon.

Not very long ago I had the privilege of reading a pamphlet entitled "Indians in the War." This record is very impressive, and as one Member of Congress I am extremely proud of it and would like to tell you what I read:

In the spring of 1945 there were 21,767 Indians in the Army, 1,910 in the Navy, 121 in the Coast Guard, and 723 in the marines. These figures do not include officers, for whom no statistics are available. Several hundred Indian women are in the various branches of the service.

The Office of Indian Affairs recorded 71 awards of the Air Medal, 51 of the Silver

Star, 47 of the Bronze Star Medal, 34 of the Distinguished Flying Cross, and 2 of the Congressional Medal of Honor. There were many Indians in the prison camps of the Philippines after the fall of Bataan and Corregidor, and later there many more on Iwo Jima and Okinawa. There were Indians in the Forty-fifth Division in Sicily and Italy, the second division with the highest number of casualties of World War II.

It is interesting to note that Pfc Ira Hayes, a Pima Indian of the marines, was one of the six men who raised the flag on the summit of Mount Suribachi.

He is one of the three survivors of this historic incident. He served on Iwo Jima for 36 days and came away un wounded. Previously he had fought at Vella La Vella and Bougainville. Because of the Nation-wide attention won by the dramatic photograph of the flag raising, symbol and expression of the invincible American spirit, Hayes and his two comrades, Pharmacist's Mate John Bradley and Pfc Rene A. Gagnon, were brought back to this country to travel extensively in support of the Seventh War Loan.

On May 1 more than 1,000 Indians of the Pima Tribe gathered at Bapchule, Ariz., to pay honor to their fellow tribesman and to celebrate his safe return.

It was my pleasure and honor to assist in obtaining permission for him to appear at a luncheon given by the National Congress of American Indians in Chicago on May 19, 1945, at which time a brief speech by Hayes was broadcast.

There are two Indian Congressional Medal of Honor men—the highest honor our Nation can bestow. Both of these are Oklahoma Indians—Lt. Ernest Childers, a Creek Indian who lives at Broken Arrow, and Lt. Jack C. Montgomery, a Cherokee who lives in my own district near Sallisaw, Okla.

While the Indian boys and girls were in uniform fighting for their country, their friends and parents at home matched the record of their fighting men. More than 40,000 left reservations and elsewhere during each of the war years to take jobs in ordnance depots, aircraft factories, on the railroads and in other war industries. Our Indians invested more than \$17,000,000 of restricted funds in war bonds, and their individual purchases probably amounted to twice that sum. They subscribed liberally to the Red Cross and to the Army and Navy Relief societies.

What more could one ask?

Would that I had time, Mr. Chairman, to single out more individual Indians who distinguished themselves with glory on the field of battle. Suffice to say, however, there was scarcely a single tribe in the United States which was not represented in the armed forces of our country.

Such is the devotion of the Indian—the original first American—to his country. Yet, he is still a ward of his Government—after 114 years. What an indictment! I ask Congress this afternoon, What are you going to do about it? Their future is in our hands. Are you going to side-step the issue, or are you going to be realistic and help bring about a change in conditions so the Indian will go forth in the world marching abreast with his white brethren, with an opportunity to show his worth in civilian life as he did on the field of battle?

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. STIGLER. I yield.

Mr. MURDOCK. Coming as I do from the Southwest and having a large part of the Navaho Reservation in my own State, I want to confirm what the gentleman has just said regarding the crying need of more and better schools on the Navaho Reservation and also what he has read. The Navaho Reservation is as large as the entire State of West Virginia. I do know positively from personal knowledge that schooling is not furnished to any adequate degree to those people. Our Indians did their full share in the recent war, but too many of them were rejected from military service because of lack of early schooling.

Mr. STIGLER. I thank the gentleman.

Mr. VURSELL. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Chairman, a few moments ago we received the good news that John L. Lewis has called the coal miners back to dig coal for a couple of weeks while negotiations are continued. His action will be most welcome news to the American people. Of course, we all hope now, that the coal strike may be settled through negotiations so that they may continue to operate.

I should like for the American people to know that the conservative Members of the House of Representatives have shown courage, time and again during the past 2 or 3 years, in particular and have tried to enact legislation which they believed to be fair to labor, fair to business, and in the hope of protecting the rights of a hundred million people who make up the public, who are not connected with various labor organizations. The Members of the House have passed such legislation. We have done our duty. It is now up to the other body. I regret that the Members of the House of Representatives who have tried to prevent this industrial crisis that is gripping the Nation today have not had the support of the administration for the past 12 years, nor have they had the support of the present administration. If the lights are turned down at the White House for lack of power, if industrial chaos envelops this Nation as it has today, I should like for the American people to know that it is not because of the lack of courage on the part of the Members of the House of Representatives. It is chargeable only to the administration in power. I hope that during these 2 weeks, the 2 weeks' truce that an agreement will be reached. If not the next move is up to the President, and the Members who sponsor his legislative affairs for him in the other body who have refused to act on legislation approved by the House.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield.



Mr. SHORT. I have just been reading a splendid editorial on the front page of today's Washington Daily News. The last couple of sentences read:

This is a strike against the Government. If the President and the Congress ever intend to do anything about it, the time is now.

The trouble with this editorial, as with so many editorials and articles by columnists, as well as comments by commentators over the radio, is that they condemn Congress as a whole, and fail to inform the American people that this House on three different occasions has passed good, strong labor laws, only to have them buried and pigeon-holed in another body that has not got the guts to stand up and be counted.

Mr. VURSELL. And that is continuing today. I am glad the gentleman brought that up.

I want to say to the newspaper publishers of Washington that they yell when their power and lights are about to be cut off. With the exception of the Times-Herald they have not had the courage to back up the courageous Members of this House, both on the Democratic side and the Republican side who have tried to prevent these conditions. I wish the press of this country had the courage to stand up for the things that are right for the American people all the time.

Mr. SHORT. I am not going to cite any particular newspaper but I think what the gentleman has said applies pretty generally to papers all over the United States, and it is obviously unfair to condemn Congress as a whole so when you go back to your district you have constituents jumping on your neck and asking: "Why don't you do something about it?" when we have already done everything we can do in this particular branch of the Congress.

Mr. VURSELL. Mr. Chairman, I sincerely believe that the conservative Members of this House, who have attempted in the past to write legislation in an effort to encourage collective bargaining and in an effort to help fairly define the rights of labor, business, and to protect the general public, are the best friends labor has in this body. All of us want labor steadily employed at high wages, enjoying the best possible working conditions.

If legislation can be enacted which will help bring industrial peace to the country, it will provide steady employment with a greater production of goods, which would force the price of goods and living down to the laboring men of this country and to all of the people. That in itself would make the dollar the laboring man draws purchase a greater amount of food, shelter, and clothing, which would prevent him from the necessity of expensive work stoppages which have slowed down production over the Nation, working a great hardship on the general public and costing the laboring man millions of dollars in wages.

The policy of this administration for the past 12 years and longer has been to favor legislation for special groups for votes at election time. This administration has sown to the wind and is now reaping the whirlwind. Millions of men who want to work, who belong to various

unions, are out of work at the present time, and millions more will be without jobs unless in some way present strikes can be settled.

Mr. Chairman, we are likely at times like these to overlook many pertinent facts. May I point out to the Members of Congress that the thousands of coal miners who are asking for more money volunteered 3 years ago, for the duration of the war, to work 6 days or 54 hours a week. The job of the coal miner down under the ground is one of the hardest and most difficult tasks in America. Never in the history of the world has a group of men produced as much coal day after day and month after month as has the American coal miner. During 1944 the American miners produced 620,000,000 tons of coal. Due to efficient machinery the American coal miner has a record of producing 4 tons of coal to 1 ton produced in England. Their work is not only hard but is very dangerous. Mine explosions and the falling of shale in the mines throughout the Nation, cripple and kill many of them each year.

I am not posted on the wages the miners draw but I have been told that considering the long hours and the hazardous work their wage scale is lower than most of the industrial wage scales in the North and the work is more laborious and dangerous.

I just point this out so that the Members of Congress may understand and may appreciate the conditions surrounding the miner who has done a splendid job in the production of coal throughout the years. Naturally the miner wants his wages raised to conform to other prevalent wage scale raises over the Nation and doubtless they and the mine operators will be able to agree on this phase of the contract.

Mr. MILLER of Nebraska. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, it is quite evident that a lively discussion of the labor subject would be more interesting than a discussion of the appropriation for the Bureau of Indian Affairs, but I want to bring the discussion back to the Interior Department bill and the Bureau of Indian Affairs in particular.

There are something over 9,000 employees in the Indian Service and the appropriation now is something over \$35,000,000, an increase of \$16,500,000 since 1935.

This last summer when in Alaska I had the opportunity of visiting a number of Indian families. I found quite a lot of unrest and dissatisfaction among the Indians. I have some Indians in my district, although I have no Indian reservation. They come over from South Dakota. I hope this Congress and this Committee will sometime wake up to the fact that we ought to quit setting the Indian apart as an individual who needs special privileges in the United States. I question very much whether we need special Indian schools. I question very much whether we need special Indian hospitals where just Indians come in to have their medical and surgical care. During the war the Indians of the United States, I believe the record will show,

volunteered in the service of the United States in greater proportion than any other minority group. When these soldiers return home they find many restrictions to their activities. Their blood is just as red as the blood of anyone else, they should be treated as equals with white people. We deny them certain privileges off the reservation, certain privileges others have in transferring property, in going to school, and other restrictions. I am hopeful that the time will soon approach that instead of having an Indian Service pyramiding year after year we can begin to give the Indians the same treatment other people in this country receive. I question very much that we ought to continue to set them apart as a special class, giving them not special privileges, but denying them special privileges that other people have.

The Indians in Alaska intermarry, they intermarry in this country, and yet we continue to coddle them, and the Government is a paternalistic Government as far as our Indians are concerned. I am certain that instead of pyramiding the number of employees in the Indian Service, pyramiding their appropriations and denying the Indians certain privileges enjoyed by the rest of us, that this Congress ought sooner or later institute legislation to make Indians our equals in every way. The increasing bureaucracy ought to be dissolved.

Mr. MARCANTONIO. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed out of order for 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes to proceed out of order.

Mr. MARCANTONIO. Mr. Chairman, the same lynch labor spirit is being engendered here during the last 2 or 3 days that I witnessed at the time this House rushed through the Smith-Connally bill. Under the guise of attacking John L. Lewis, you direct your attack against the men who are engaged and have been engaged for the better part of their lives in the production of coal. The press of the country has ganged up against labor again in this instance as it always does when labor is engaged in a most critical struggle for its very existence. When I say "the press" I mean a good portion of it. In this ganging up the press has deliberately misinformed the people or omitted to tell the American people the real issues that are involved. Freedom of the press! There is as much freedom as the owners of the press and their financial overlords will permit.

As an illustration, the press tries to make people believe that when the miners ask for portal-to-portal pay they are asking for pay from the time they leave their homes to the time they get into the mine, when, as a matter of fact, portal-to-portal pay merely means payment from the time the miner enters the entrance to the mine until he gets down into the mine itself.

This is just a sample of a series of misrepresentations. Nothing is said of the working conditions, the hazards—health

and physical—and the cruel exploitations of the miner and his family. Yes, Congress must do something. May I suggest that it devote some of its time toward the amelioration of these conditions. Instead, we have antilabor stories and editorials in the press and antilabor speeches here. Not a word of condemnation of the operators. The result is an attempt to work up an antilabor hysteria in this House, similar to the hysteria that produced the Smith-Connally law, a law that now the author himself seeks to repeal, a law that has been condemned in the last Presidential campaign by the standard bearer of the Republican Party, a law repudiated by everybody. I cannot forget the days when it was hailed here and demanded here with the same feigned indignation by the enemies of the working people that we are now witnessing in this House.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. That bill was vetoed by the late President Roosevelt and overwhelmingly passed over his veto?

Mr. MARCANTONIO. Yes; and the gentleman remembers also the hysteria that was engineered right here in the well of the House on the Friday afternoon that veto message came to us. Members got up here and raved, "We have to save America from John L. Lewis." Then they overrode the President's veto. Now, everybody wants that law repealed.

Mr. Chairman, the issue here is not John L. Lewis. The issue is, shall we permit these ruthless coal operators to carry out their conspiracy against labor and against the interests of the American people? If the American people as a whole, the farmers of your district or the tenement dwellers in my district, knew the real facts they would rise up in protest and in overwhelming numbers, demanding that action be taken not against the coal miners but against the coal operators who have conspired to provoke this strike, who are now conspiring to use this strike as a weapon to destroy the gains that have been obtained by coal miners after years and years of struggle, suffering, and exploitation. Oh, you say the papers are picking on us. Why yield to their pressure? They are on the side of the operators protecting them in their nefarious plot against the American people under the guise of a smoke screen attack against John L. Lewis. I, for one, want the press to know that I voted against the Case bill and spoke against it. I am confident that time and events will vindicate us who voted against and fought the Case bill with equal decisiveness as we who fought and voted against the Smith-Connally bill have been vindicated.

No, do not make the miners your target. Make the operators your target. You want to eliminate this industrial dispute? Then put your finger on the cause and put pressure on those who are responsible. It is the operators who provoked the strike, it is the operators who

provoke a continuance of the strike, it is the operators who are obstinate in their refusal to act as reasonable, patriotic persons. They are interested only in profits and not in the welfare of the Nation. Pressure them, not the coal miners of this country and the strike will be settled without delay.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last two words, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, I would remind my good friend from New York that there is no hysteria or misrepresentation about the fact that in 35 communities in the State of Illinois this afternoon 67 out of every 100 industrial workers are out of employment by virtue of the coal strike. I would remind my friend from New York that there is no hysteria about the fact that day after day thousands of gallons of milk and cream have had to be poured into sewage or into slop for pigs because there was no coal for the boilers whereby it could be processed. I would remind my young friend from New York that there is no hysteria about the fact that in the city of Peoria, in the very heart of my congressional district, this afternoon 14,000 men are entirely out of work and another 22,000 are on a 24-hour week. There is neither naked opinion nor hysteria nor misrepresentation about that. Those are the ascertained facts and the reason they are jobless today is for lack of coal.

Now, the fact of the matter is, if I am informed correctly—and I know how difficult it is to get the facts—that ever since the 12th day of March, when they held the very first conference, there has never been any actual bargaining between the operators and the union officials. They conditioned bargaining, if I am correctly informed—and I beg to be informed correctly, if I am not—on two conditions. Operators were asked to agree in principle to two propositions before bargaining on the usual issues could begin. The first one was that there should be an estimated tonnage tax to develop approximately \$50,000,000 per year for health and welfare.

Certainly, nobody objects to health and welfare, but it is one of those situations, one of those conditions, one of those problems that needs careful scrutiny, if we shall be mindful of the fact that if that kind of a principle is extended to every industry so that there is a tax on automobiles for a certain purpose, and a tax on other units of production for certain purposes, that finally the power of private taxation rises up in competition with the Federal Government itself and finally threatens its fiscal solvency and solidarity.

Second, there was no bargaining, because there was a demand that the supervisory personnel and the company personnel and the foremen should be first forced into the regular rank-and-file

union. Those are the two things upon which bargaining was conditioned, and there has been no actual bargaining upon the customary issues since the 12th day of March when the first conference was held.

There is no hysteria about it. There is no misrepresentation about that. Those appear to be the facts insofar as I can develop them. We dealt with one of those items in the Case bill. We provided that foremen and company personnel would be denied the benefits of the Wagner Act under section 12 of that proposal. So I am glad that the Senate is addressing itself today to this problem because first of all it removes one of the obstacles that stands in the way of bargaining, so that the parties involved can get around to free collective bargaining and determine the merits of the customary issues that are represented in cases of that kind. If some happy solution can be developed on this question of the tonnage tax, then there is no reason while the truce is on for the next 12 days that they cannot sit down and bargain over wages, hours, safety, working conditions, and so forth.

But there is one other aspect of this matter. Public safety is involved, public health is involved, and some day soon the Members of this body who are charged with legislative responsibility under the Constitution are going to have to make a determination how far a segment of our people can go in threatening public health, public safety, and public welfare. Certainly, nobody will impose a limitation upon the free right to strike, because it is the only weapon that labor has got. But there are some larger considerations that transcend that when they come into conflict with welfare and the safety of our people.

I do not contend for one moment that the men who go into the pits to mine coal do not have an argument with respect to welfare and health. It is a matter that will bear the fullest consideration. In fact, I expect to devote some remarks to an item in the pending bill that relates to the Bureau of Mines and the element of safety. But is it not a bit astonishing that in pressing for agreement in principle to a special tax in the interest of health and welfare that the very health, welfare, and safety of whole areas of our country are jeopardized by the method which is being pursued? In no case can the welfare of a part of the people transcend the welfare of all of the people and of the whole Nation.

That is the thing that has evoked such a high, swelling storm of protest from every section of the country. I am glad they have gone back to work, and I hope now that this dispute may be ironed out, that the facts can be truly represented to all the people, and that we also will discharge our responsibility. I regret that although more than 90 days ago this House acted, another dilatory body failed to take action consonant with what we did here.

Let me reaffirm my position—and I state it without reference to the merit that may exist on either side of the controversy between operators and union officials—that coal is indispensable to



our economic well-being, and our first responsibility is to take such action as will bring about a resumption of coal production and stop the enormous losses that are being piled up daily upon millions of people who are the innocent victims of this dispute. Thereafter, we need to do those things which will avert the health, safety, and welfare of the Nation from being so completely jeopardized by a paralyzing work stoppage. Surely, there must be enough ingenuity, enough courage, and enough tolerance on all sides for men to compose their differences without strangling the economic life of the Nation.

Mr. JOHNSON of Oklahoma. Mr. Chairman, we have been rather liberal with these speeches, but we have an Interior Department Appropriation bill we are trying to get through with today. I demand the regular order.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

Welfare of Indians: For welfare services, including general support, relief of needy Indians, boarding home care of Indian children, institutional care of delinquent children, and payment of per diem, in lieu of subsistence, and other expenses of Indians participating in folk festivals, \$150,000: *Provided*, That formal contract shall not be required for payment (which may be made from the date of service) for the care of Indians.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there is no question but that it is time for us to begin to cut down appropriations and save our money. Without coal we will have to go to cutting wood and splitting it. With all the factories closed, perhaps some of us will have to go to work making hoes and other tools to till the soil and harvest a crop.

What the gentleman from Illinois [Mr. DIRKSEN] said about the strikes is all too true. In this country of ours where there is a scarcity of so many things there is at least an abundance of talk in both this House and in the body across the corridor. Back in the early thirties the Congress passed an act to prevent racketeering, as you will recall. Then on March 2, 1942, the Supreme Court of the United States said that act did not apply to racketeering as practiced by the unions and which prevented food getting into the cities until tribute was paid. Two days later I offered an amendment to the law to prevent the collection of unlawful demands. The amendment was pigeonholed by the administration. Following that, if you will recall, a bill passed this House and was sent over to the other body on the 12th day of April 1943. That is a long time ago. It is over there yet. If the other body would pass that act, and if it was enforced, it would be a complete answer to the demand of Mr. Lewis and his United Mine Workers that operators pay 10 cents, or whatever it is, per ton royalty on the coal that is mined. So while so many here demand action, and while it is the responsibility of the Congress, and while the strikes have grown in number and in intensity, it has taken the coal mine strike, the United Mine Workers' strike, to give us a real demonstration of the

power that some of these gentlemen have been exercising.

It is my contention that the fault is not here in this body but it is over across, at the other end of the corridor, and that when we passed the Hobbs bill, the amendment to the antiracketeering statute, and sent it over there, if the other body had taken it, if it would take it today, if the President had signed it, and if it had been enforced, there would be no legal justification today for the demand for the payment of a royalty, and Lewis would begin to bargain on wages and hours.

#### THE COMMUNISTS SEEK TO BUY A CONGRESS

Mr. Chairman, today's press carries a story of a direct threat to integrity of American elections. The threat is made by an American labor affiliate of a world labor federation directed from Moscow and dominated by Communist labor politicians.

This statement is not based on hearsay. Its truth is shown by the direct statements of the American leaders of the movement. I propose to trace this line of control, directly, chronologically, and to show its brazen challenge.

Look, first, at the facts surrounding the birth of the Political Action Committee of the Congress of Industrial Organizations. July 7, 1943, the CIO executive board, acting in the name of the entire CIO, set up this Political Action Committee.

Philip Murray, national president of the CIO, appointed the following members of the CIO Political Action Committee—to operate in the congressional and Presidential elections of 1944:

Sidney Hillman, chairman; R. J. Thomas, secretary; Sherman H. Darymple, Albert J. Fitzgerald, and David J. McDonald.

Shortly thereafter the country was split up into 14 regions, headquarters were opened in each, and regional directors appointed.

The general plan provided that every unit of the CIO unions—international unions, industrial union councils, union locals and so on—form a Political Action Committee to carry out national and regional decisions made at the top by the group of five men headed by Sidney Hillman.

Philip Murray, CIO head, claimed that the voting strength of CIO, including members, their families and financial dependents, was 14,000,000 in 1944.

In the 1944 elections the CIO raised some \$2,000,000 for use of the PAC, aside from local funds used in State and municipal elections, raised by local units. Hillman and CIO-PAC claimed, after that election, they elected Roosevelt, and just about every Congressman who succeeded a Congressman opposed by CIO. That was in 1944.

It is more than mere coincidence that the Congressmen and other candidates opposed by CIO-PAC were identical with the blacklists of the New York Daily Worker, official publication of the American Communist Party.

It is more than mere coincidence that the legislative bills used by CIO-PAC in

checking voting records of candidates, was the same list used by the Communist-front "New Republic", the Communist Daily Worker and similar mouthpieces of communism in America.

It is no mere coincidence that keymen in the organization and under the direction of CIO-PAC in 1944 elections were linked, in dozens of cases, with organizations identified over a long period of years with attainment of Communist objectives in America. It is no mere coincidence that that interlocking directorship put leaders of scores of Communist-front organizations into the directorship and leadership of CIO-PAC.

But the elections of 1944 are over the dam, we are coming into the elections of 1946 which affect every Member of this House, a third of the Members of the current Senate, and mayors, governors, members of legislatures throughout the country.

Let us look at what happened in the 1945 interim, and what is happening now.

During 1945 the war ended in Europe and in Japan.

Sidney Hillman went to France, sat in at conferences at which the World Federation of Trade Unions came into existence, an international labor organization distinctly under Communist labor domination. Sidney Hillman became a vice president of that WFTU. Harry Bridges, Communist west-coast leader of the longshoremen, and Joseph Curran, east-coast Communist frontier, heading the National Maritime Union, sent congratulatory telegrams upon formation of this international Communist labor organization.

It is significant that George Meany, secretary-treasurer of the American Federation of Labor, refused to attend.

It is a significant thing that the American Federation of Labor as a whole refused to be affiliated with this international Communist labor front.

The World Federation of Trade Unions gathered across the bay from San Francisco when the United Nations was in process of formation and tried to win recognition as the voice of labor in that United Nations. They failed.

Subsequently, in London the World Federation of Trade Unions tried again to obtain recognition as the labor component of the United Nations. Through the efforts of the American delegates to the United Nations Council that move, too, was blocked.

But do not believe for one minute that the World Federation of Trade Unions does not dominate Russian-born Sidney Hillman, or Harry Bridges, or Joe Curran, or others of the Communist and Communist-front members of CIO and of the CIO-PAC.

We have seen the announcements by Sidney Hillman and Phil Murray in the last few weeks that they plan a war chest of between \$5,000,000 and \$6,000,000, to be spent in this 1946 election of Congressmen and governors and legislators and mayors, to put in office men and women who will bow to the CIO-PAC dictates—the Communist-front dictatorship of Hillman, Murray, Bridges, Curran, et al., and their Moscow-directed superiors.

Many of you may have read an Associated Press dispatch from San Francisco, dated May 7, this year, in which Harry Bridges blatantly stated that a maritime strike would be called to further cripple American industry, and boasted that international help would be available for that strike. I quote certain paragraphs of that dispatch:

Our perspective is not only for a national strike but for an international strike.

We are convinced that it will be a long, hard strike, of from 3 to 6 months.

We've already made arrangements for support in other countries. If the Socialist trade unions in Russia want to help us, we won't turn them down because of their form of society.

Those quotations, gentlemen, are attributed to Harry Bridges, in the Associated Press dispatch of May 7 from San Francisco.

Another Associated Press dispatch from Atlantic City, dated May 9, this year, states:

Members of the CIO Political Action Committee today named 10 Senators and more than a score of Members of the House of Representatives they said they would try to defeat in the 1946 elections.

That dispatch told of a determination of this CIO-PAC to defeat Governor Dewey and of a bitter attack by President Murray of CIO on President William Green of the American Federation of Labor and John L. Lewis of the United Mine Workers.

For the interest of Members who may not have read the Atlantic City dispatch, it quoted the CIO-PAC leaders and who threatened to defeat those named, of which, I am proud to say, I am one.

On the list were the names of:

Senators KENNETH MCKELLAR, of Tennessee; BURTON K. WHEELER, of Montana; THEODORE G. BILBO, of Mississippi; HARRY F. BYRD, of Virginia; E. P. CARVILLE, of Nevada; PETER G. GERRY, of Rhode Island; GEORGE L. RADCLIFFE, of Maryland; HENRIK SHIPSTEAD, of Minnesota; H. ALEXANDER SMITH, of New Jersey; WILLIAM LANGER, of North Dakota; and Representatives BARRY, of New York; BENNETT, of Missouri; BUCK, of New York; BROWN, of Ohio; CLASON, of Massachusetts; CHURCH, of Illinois; GAMBLE, of New York; GEARHART, of California; GRANT, of Indiana; GWYNNE, of Iowa; HESELTON, of Massachusetts; HOFFMAN, of Michigan; JONKMAN, of Michigan; MCCONNELL, of Pennsylvania; MURRAY, of Tennessee; O'KONSKI, of Wisconsin; PACE, of Georgia; PLOESER, of Missouri; RANKIN, of Mississippi; SCHWABE, of Missouri, and SLAUGHTER, of Missouri.

Mr. Chairman, the listed Members are named for a totalitarian purge, by this self-appointed dictatorial group.

This group, led by men whose records I will tell you something about a little later, have announced their plan to expend between \$5,000,000 and \$6,000,000 to retire from public office the men they cannot control, and have named the list I have given above.

No national campaign committee is permitted by law to spend more than \$3,000,000 in a Nation-wide campaign. This dictator-minded group propose to

double that to buy the power they need to control this country.

Personally I welcome this fight. I welcome the opportunity to take, to the voters of my district at least, this fundamental issue: "Do you, the voters, want to accept a mandate of a group controlled by and affiliated with a Communist-dominated international labor group?"

"Do you, the voters, want your American way of life, your American political philosophy of a republic, your system of free enterprise, to continue, or do you want to lay the foundations for Red Fascism in America?"

I place my political future in my faith that American voters will answer "No" to both those questions.

Now let us look into the records of these five men who headed this CIO-PAC in 1944, and continue to be dominating figures in the top echelon of CIO-PAC command as we go into the national elections of 1946. It would take many volumes to print the records of the lesser lights, so for the time at least, I will limit my recordings to this top-level five.

First, the unspeakable Sidney Hillman.

Hillman, born in Russia, paused for a time in England before he came to the United States in 1907—August 7, I believe, is the exact date. He became president of the Amalgamated Clothing Workers in 1914, when he was 27 years of age. He is the only major labor leader who never was a worker. He is rather in the labor movement than of it. The fact that he was born in Russia is not to his discredit. That fact should cause him to be a little slow in his efforts to overthrow our form of government.

Hillman went back to Russia in 1922 and formed the Russian-American Industrial Corp., in which much stock was sold to American workers at \$10 a share. That company carried on its envelopes the slogan: "The key to the stability of the world lies in the economic reconstruction of Russia."

The notorious Garland fund, set up in 1922 and used subsequently to finance American Communist activities to a large extent, found Hillman as a director. This fund gave the Daily Worker \$57,000 one year, the New Masses \$64,500, the Vanguard Press \$139,000, and the Federated Press \$76,000, to name a few examples of Garland Fund aid to Communist publication units.

This publications channel made it possible for Communist infiltration into American labor. That led to Communist domination of many unions, until they split off from the American Federation of Labor to become the CIO. That in turn set up the PAC as I have outlined, and Hillman led CIO into the international Communist labor group—the World Federation of Trade Unions.

R. J. Thomas, through the years, rose to power in the United Auto Workers Union. The recent automobile strike, in Michigan, in which Thomas was dethroned by Walter Reuther, brought the charge that Thomas was supported in that union election by "all the Communist elements in the union." Many accept the union appraisal of its own leaders.

Sherman H. Dalrymple, one-time president of the United Rubber Workers, was closely affiliated with the activities of the notoriously seditious American League for Peace and Democracy, before its true character caused it to fold up and again become a Communist-front organization as the League Against War and Fascism.

Records of the House Committee on Un-American Activities have rather extensive records on Albert J. Fitzgerald and David J. McDonald.

Similarly, perusal of those records drive home only too clearly the communistic beliefs of Harry Bridges, Joe Curran, and nearly 100 other keymen of CIO and PAC.

Yet this closely knit group of totalitarian-minded men meet and threaten American Congressmen, directly elected by their constituents, with political oblivion because those Congressmen will not accept dictation from un-American leaders and groups.

Look back over the year since VE-day, the 9 months since VJ-day. We should be well on the way toward reconversion and a resumption of American prosperity.

It has been stopped by an unprecedented wave of strikes—many of them CIO strikes in which existing contracts have been tossed aside as this foreign-minded labor leadership aimed more at weakening American reconversion than at any improvement of the financial status of their members. What they lost in wages during their strikes cost CIO members more than pay increases will return to them over many years.

Examination of this postwar strike record will show that in a general way—there are always exceptions—American Federation of Labor contracts are fulfilled by leadership and members. The American Federation of Labor urges its subordinate units to exhaust every form of negotiation before resorting to strikes.

Whether I agree at all times with legislation sought by the American Federation of Labor, it is only fair to credit them with seeking to attain their objectives in a far more American way than their left-wing labor rival.

Before this session of Congress adjourns we will have to pass labor legislation. The House passed the Case bill, now before the Senate. There will probably be called a conference on it before the final draft is approved.

We will have to act on the British loan, the OPA final settlement, the final Selective Service Act, in addition to labor legislation.

On all of these, and many other bills, there will be the usual organized minority clique and clamor, the mass lobbying, the usual smear tactics of this CIO-PAC-Moscow inspired group. There will be the usual floods of inspired mimeographed petitions, printed postcards, pledge cards, and other paraphernalia of the Hillman crowd.

To all of this, I say we must maintain cool heads, calm judgment, and a determination to use the radar of keen perception to see through the propaganda and fear-psychology fogs.

If, in this American crisis we would save America, we must, in spite of threats and intimidation, in spite of mass pres-



sure from un-American sources, vote American.

Recently several organizations have moved to consolidate their political drive. Let me quote a release of today—May 10:

Representatives of America's three leading independent political committees—the CIO Political Action Committee, the Independent Citizens' Committee of the Arts, Sciences and Professions, the National Citizens' Political Action Committee—will meet in Washington, D. C., Saturday, May 11, at the Carlton Hotel to draw up joint plans for full mobilization of their resources in the 1946 congressional election.

It is expected that the three groups will adopt a statement of joint principles and programs and will appoint an executive committee to coordinate the activities throughout the 1946 congressional elections.

Twelve individuals will represent the organizations at the meeting, including Philip Murray and Sidney Hillman for the CIO Political Action Committee; Mr. Harold Ickes, executive chairman, and Mr. Jo Davidson, national chairman of the Independent Citizens' Committee of the Arts, Sciences and Professions; Dr. Frank Kingdon, newly elected chairman of the National Citizens' Political Action Committee, and Elmer Benson, chairman of the executive council of the National Citizens' Political Action Committee.

Perhaps the most unfortunate feature of the CIO-PAC's present drive to secure control of the Congress which meets in January of 1947, is its underhand attempt to infiltrate its agents and its propaganda into veterans' organizations.

The CIO-PAC and the Communist leaders are shrewd enough to realize that at least in the Fourth Congressional District of Michigan, and in many other districts, it can no longer conceal its true purpose when sailing under its own colors. Hence, it now has its agents out to spread false propaganda which is to the effect and in substance, that Members of Congress, including myself, are opposed to legislation designed to aid veterans. The truth is that no Member of Congress would for one moment think of opposing any worth-while, reasonable legislation requested by a veterans' organization, or by an individual veteran.

In my own case, I not only had a son in the war who served for 2 years and 8 months; I not only voted for a bonus for the veterans of the First World War, for the GI bill of rights, for other legislation designed to aid veterans, but I introduced the first bill, long before the war was ended, designed to preserve for union men who served in the war their union seniority. Something which at first some labor leaders opposed, but which later they supported.

It is extremely unfortunate that any organization whose policies are dictated, as those of the CIO-PAC seem to be, by Communists bent upon the overthrow of our Government should even try to use as its instruments for its own disloyal purpose organizations composed of those who fought—many of whose comrades died for the preservation of our Government.

Sensible, patriotic citizens will not be deceived by the false charges of anyone, or of any organization, that Congress or any individual Member of Congress will at any time deny to the veterans, or to any organization of veterans, the passage

of any legislation to which the individual or the organization is entitled.

The Communists have succeeded, since the end of the fighting, to an unexpected and remarkable degree in their efforts to create want, a scarcity of necessities, strife, discord, and confusion. If they can completely, through strikes, bureaucratic rulings, or in any other way bring about disaster they think conditions will be more favorable for the success of their drive to overthrow constitutional government.

Sensible, patriotic citizens should be on their guard, for the 1946 elections are critical. The men elected then will determine through 1947 and 1948 the course which our Nation shall follow.

Mr. HOOK. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, this section deals with the welfare of needy Indians. I am reminded by my good friend, one of the most outstanding and distinguished Members of this House, the gentleman from California [Mr. WELCH], that the welfare of some other people is involved, probably not Indians, but those who were employed in the mines of Pennsylvania.

He advises me that many long years ago, one of the outstanding Members of the United States Senate, Mr. Johnson of California, made a speech on the floor of the United States Senate about the welfare of the people in the coal mines, not the welfare of the Indians. As a result of this speech an investigation was made at that time, some 25 years ago. They found there was a lockout of the workers in the coal mines at that time. People were driven out of their homes by the coal operators and were thrown out on the street, men, women, and children—many of them pregnant women. They had no homes; hunger and suffering followed. Starvation was the order of the day. The United States Senate made an investigation at that time. Not much happened because the committee was stacked. Some of the religious organizations gathered funds and built little shacks up there to take care of them—tar paper shacks, if you please, with little partitions so that the people could have some privacy and live in some sort of decency. Those conditions exist today in the coal mines with very little change. You should go to those coal mines and see the bad living and working conditions that exist now. Bargain and arbitrate? My Lord, might I ask the gentleman from Illinois [Mr. DIRKSEN] how long are we going to be asked to bargain and negotiate? Those conditions still exist. The conditions of the men working in the mines, the conditions so far as safety is concerned, still exist. Men are blown to smithereens by blasts of gas and nothing is done about it. Oh, yes; there is the little safety law, but this committee cut down on the appropriation for even the enforcement of the Federal Act for Safety. Talk about care for needy Indians.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield.

Mr. JOHNSON of Oklahoma. I am rather amazed to hear the gentleman say that they cut down the appropriation for safety. Does the gentleman

realize that this committee has allowed every dollar requested for safety and is allowing funds for 157 people to work as safety inspectors and enforce the safety laws? The committee did that on its own initiative and without John L. Lewis or his representative ever coming before the committee. I might say that during the dozen years I have been on the Appropriations Committee neither Lewis nor anybody else representing Lewis ever asked the Interior Subcommittee having jurisdiction over the Bureau of Mines appropriations for a single dollar for a safety measure of any kind. Yet obviously there are some people who profess to believe that every benefit that miners have secured has been as a result of the activities of this would-be dictator, John L. Lewis.

Mr. HOOK. Oh, I am surprised at the gentleman from Oklahoma, knowing of these blasts, explosions, and loss of life and of the conditions and the rottenness in those mines, having to have anybody come before the committee and ask. Your committee sent investigators to other places. The gentleman yesterday told this House how his committee went all over the United States and Alaska making investigations. Why did they not investigate the mines and the conditions of safety in those coal mines and the iron and copper mines in my district of Michigan? One hundred and fifty-seven men? Why, that is only a small trickle of what should be done to save the lives and better the conditions of the men in the mines. If the health and safety of those miners was properly taken care of, you would not have the strike that you are having today. It is about time we got down and bargained properly in behalf of these suffering people. Protect their welfare and give the miners safe and proper places to work and you will go a long way toward eliminating these strikes and the hardship that follows.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move to strike out the last six words.

Mr. Chairman, I do this for the purpose of making the statement that this is practically the only item in the bill, to which the gentleman has referred, that has not been reduced a single dollar, despite the fact that neither John L. Lewis nor any of his representatives appeared before the committee and asked for a single increase of inspectors for the mines. The committee gave them 157 inspectors. The committee gave every man that was asked for. The number of inspectors has increased from 107 since 1942 to 157. During all that time no one representing John L. Lewis or any of his people appeared before the committee and asked for anything for the Bureau of Mines.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. CASE of South Dakota. When the chairman of the subcommittee was referring to this item, he was referring to the item under the heading, "Bureau of Mines, for safety work"?

Mr. JOHNSON of Oklahoma. That is right.

Mr. CASE of South Dakota. And not to the paragraph on "Welfare of Indians"?

Mr. JOHNSON of Oklahoma. That is correct.

Mr. CASE of South Dakota. The item for "Welfare of Indians" is substantially reduced below the Budget estimate.

Mr. JOHNSON of Oklahoma. That is correct.

Now, may I say we are attempting to finish this bill today. I express the hope that there will be no speeches made except on the bill. I shall have to insist that hereafter speeches must be pertinent to the bill. If you want to get through today we can do it. If you want to sit here until midnight Saturday night, we will have to do that.

Mr. HOFFMAN. Do you expect to meet tomorrow?

Mr. JOHNSON of Oklahoma. We do expect to meet tomorrow unless the bill is finished tonight.

Mr. HOFFMAN. Do you expect to finish the bill tonight?

Mr. JOHNSON of Oklahoma. That I cannot answer. It is not my responsibility.

Mr. SMITH of Ohio. Mr. Chairman, I move to strike out the last two words, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Chairman, the Interior Department appropriation bill before us, like most of the appropriation measures that have been passed, reflects the determination of the bureaucracy to use its powers to increase its activities and become master over the economy and lives of our people.

We see from the size of the appropriation requested by the Secretary of the Interior, Mr. Krug, and the approval given by the Budget Bureau, precisely what the attitude of the administration is in this matter. The Budget approved \$346,766,000. That is 80 percent more than was appropriated for the Interior Department in 1946. It is approximately 65 percent more than the largest amount ever spent by this Department, which was \$209,900,000 in 1940.

In asking for this enormous increase it is, of course, unlikely that the administration expected the full amount to be given. It seems to be a fixed practice on the part of the bureaucracy builders to ask for much more than they expect to receive. It is well, of course, that the Committee on Appropriations reduced the amount requested to \$174,653,000, or nearly one-half. We must be grateful to the committee for having done this. But in the light of the Government's financial plight, this is not enough. It is not enough from the standpoint of the need of deflating the bureaucracy.

Unless the Congress reduces departmental appropriations to the point of actually starving the bureaucracy, there is no hope whatever of getting rid of this terrible evil.

The administration's promise to balance the budget cannot possibly mean much in the face of the New Deal's perennial assurance of bringing this about.

This can have little value in the light of current spending and the enormous potential costs involved in further New Deal proposals. It is, in fact, perfectly ridiculous to talk about a balanced budget in view of existing and prospective commitments, domestic and foreign. The New Deal is also deceiving the people when it tries to make them believe it is against inflation. The enormous foreign so-called loans for which the Nation is already committed and which are in prospect will alone add greatly to the inflationary pressures against prices and move them to higher levels.

The New Deal's housing proposal as embodied in the Wagner-Ellender-Taft bill, its plans to socialize medicine, to force fifteen or twenty million more people under the social-security scheme, its promise of full employment, its proposal to become a superlending institution to finance industry in general and so on almost without end, completely contradict the claim of the administration for a balanced budget. It might be possible with the use of the enormous amount in the general fund which was left over from war appropriations that the budget could be brought into balance. But as matters stand now, this is unlikely. Furthermore, this could be maintained for a year or so only. Once this balance is exhausted the New Deal will be infinitely worse off in respect of any prospect to bring expenditures and income from taxes in line with each other. Notwithstanding the back-breaking taxes, with which the New Deal has now burdened the working people and others, the cost of the grandiose political schemes already in operation and in prospect of being instituted will far exceed the amount of taxes that can be collected.

As matters stand, the Nation faces the gloomy prospect of more inflation, that is, Government printing-press money, to finance deficits. Wage earners and especially persons with fixed incomes should day in and day out insist upon a balanced budget and the stopping of printing more money to pay deficits. There is already more than \$200,000,000,000 of printing-press money in the economy. That is the inflation. Without this printing-press money, no one would be worrying about prices. There would be no OPA.

Expenditure figures as provided me by the Bureau of the Budget for the Department of the Interior from 1932 through 1947:

1932.....	86,700,000
1933.....	90,100,000
1934.....	74,000,000
1935.....	115,100,000
1936.....	126,000,000
1937.....	163,300,000
1938.....	164,500,000
1939.....	212,300,000
1940.....	209,900,000
1941.....	193,300,000
1942.....	208,900,000
1943.....	192,400,000
1944.....	184,300,000
1945.....	207,300,000
1946 (appropriation).....	191,166,000
1947 (appropriation).....	174,653,000

Office of Education, St. Elizabeths Hospital, Columbia Institute for the Deaf, Howard University, Freedman's Hospital,

Arlington Memorial Bridge Commission transferred from Department of Interior to Federal Security Agency. Bureau of Fish and Wildlife transferred to Interior, 1939 Reorganization Act.

The figures given above are for those branches of the Department of Interior as it exists today.

Mr. WEICHEL. Mr. Chairman, I move to strike out the last six words.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. WEICHEL. Mr. Chairman, the participation by this Nation in a global war has reemphasized the vital importance of maps for the planning and carrying out of military operations. Millions of our young men and women in the armed forces who have learned the use and value of accurate maps, not only for war but for peace, are aware that the United States has lagged far behind other leading nations of the world in its domestic mapping program.

The Geological Survey, the principal mapping agency of the Federal Government, has been carrying on topographic surveying and mapping since 1879 with funds made available by the Congress for this purpose, totaling about \$30,000,000 for the 65-year period. Large areas have been mapped at various scales to meet special needs, but, with few exceptions, the mapping has not kept pace with the demand for detailed topographic information. Seventy-five percent of the United States is unmapped, according to accepted modern standards, and the maps now available are becoming obsolete almost as rapidly as the new maps are being prepared, so that little net progress is being made toward that day when it can be said that our Nation is adequately mapped.

One of the most obvious facts to come out of the recent war is that the natural resources of the United States are not without limit. It behooves this Nation, then, to develop and conserve our natural wealth, both known and potential, in the most efficient manner. There is no alternative if the United States is to continue in its enviable position as a richly endowed nation. The systematic and efficient development, utilization, and conservation of our natural resources can only be done with the aid of modern and accurate topographic maps. Appraisal of our oil and mineral resources, flood control, and the development of hydroelectric power in the several major river basins, the expansion of our transportation systems, and many other fields in which there undoubtedly will be much activity not only in the immediate period of postwar reconversion but in the long-range future, all will be handicapped and in some cases greatly retarded if adequate topographic maps are not available.

During the war the Geological Survey has concentrated its mapping personnel and equipment on high priority projects, requested by the War Department. A large number of its technicians served with the armed forces to provide the maps and charts with which to carry on military operations. This has resulted in a curtailment of domestic mapping which must now be expedited to insure sound basic planning for our postwar



economy. Thousands of veterans have received some technical training in surveying and mapping with the armed forces and are now available for employment in the Geological Survey. These men and women when supplied with modern equipment and under the direction of the Survey's highly trained technical staff, can be utilized effectively to provide this Nation with the modern maps so urgently needed in the immediate postwar period. The early implementation of such a program, in which all major mapping activities are properly correlated and expeditiously pursued, will prevent the waste and duplication that will inevitably result if each separate agency is forced to prepare maps for special projects with improvised methods and partially trained personnel.

The Clerk read as follows:

Revolving fund for loans: To increase the revolving loan fund for making loans to individual Indians, Indian associations, and Indian chartered corporations in accordance with sections 10 and 11, of the Act of June 18, 1934 (25 U. S. C. 470 and 471), and the acts of June 26, 1936 (25 U. S. C. 506), May 1, 1936 (25 U. S. C. 473a), and July 12, 1943 (57 Stat. 459), \$350,000, and the authorization of \$750,000 for loans from said revolving fund to individual Indians and Indian organizations otherwise ineligible to participate therein is hereby increased to \$925,000.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope the chairman of the subcommittee who is piloting this bill through the House will credit me with restraint during the debate that has ensued in which legislation with which my name was connected has been the subject of discussion. I restrained myself because I wanted to address myself to the bill before us and to the section which has just been read, and for that reason I invite his attention and the attention of the subcommittee to it.

The revolving fund for loans is proposed to have an appropriation of \$350,000. Last year this fund received \$250,000. This \$350,000, while an increase of \$100,000 over the amount appropriated last year, is \$1,150,000 below the Budget Bureau's recommendation. It is true that there is a carry-over of some funds which had not been used in the current year, and that substantial repayments on prior loans are expected, so that I understand there will be a total of \$1,390,000 available for loaning in 1947.

The carry-over from the current year is expected to be \$300,000. It is understood that \$700,000 will be repaid from prior loans, \$40,000 will be received in interest, and the current proposed appropriation of \$350,000 make up the \$1,390,000.

That fund is the fund which will be available for making loans to individual Indians, Indian associations, and Indian-chartered corporations, under the Reorganization Act of June 18, 1934, and amendments thereto. I fear this amount will not meet the situation.

I call attention to the fact that there has not been a normal demand for loans for the last few years because the young men in the various Indian tribes have

been away at war. They are coming back now and they find in instance after instance that they cannot get the benefits of the GI law as promised in loans to set themselves up in business or in stock raising. It is all right to say that the Indian veteran is entitled to just as much consideration as the white soldier, but as a matter of practical application and administration the Indian just does not get the loan.

In many of the Indian reservations there are no banks. The only source of credit available to them is the loan fund operated by the Indian Office. We had that same experience a few years ago when the Farm Security Administration was making its relief and rehabilitation loans. Various banks said they were not familiar with Indian procedure, not acquainted with restrictions on Indian lands and did not know how to handle the situation when an Indian's cattle were branded ID, meaning "Indian Department" or bought with Indian funds. They said they were in doubt as to their security and consequently they asked the Indian Office to administer loans.

Now the same thing is arising under the GI bill. The Indians throughout the northwest are denied the opportunity of getting these loans, for the banks say "We find your land is restricted and cannot be obligated as security for loans. We do not know how to lend the money or provide the security which we would have to have for the 50 percent of the loan which is not guaranteed by the Government under the GI bill."

The result is that the Indian veteran must turn to this revolving loan fund for consideration and this \$1,390,000 is not enough to do the job. At the most, it would only take care of 1,390 Indians, giving a loan of \$1,000 apiece and there are almost that many returned Indian veterans on a single reservation in my district, the Pine Ridge.

In testimony before the Indian Affairs Committee the other day representatives of these Indians testified that it took between \$2,000 and \$3,000 to buy about 30 head of cattle and establish a returned Indian veteran in the cattle business. I have seen some of these Indian boys. They are the kind of boys you are proud of, that you want to help get started. I have one working in my office whom I might mention as an illustration. At 19 he entered the Air Forces, and in 2 years' time he progressed from the status of an enlisted man to a commissioned officer, a second lieutenant, and then a first lieutenant. He flew 24 missions over Italy as a part of our flying forces, as a fighter pilot—22 of his missions were carried out in a British mosquito ship.

And now he and thousands like him are back and entitled to the opportunities promised in this land they helped to save. The Indian boys were brave and skillful fighters. They responded to the needs of their country and now the country should respond to their needs. Why, in the so-called Indian counties in my district the draft boards told me that for many months after the opening of selective service, they never had to make a call, that the Indian boys volunteered

in sufficient numbers to meet the draft quotas for those counties.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. CASE of South Dakota. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. In just a minute.

These are the boys who are now coming back, boys who went out to fight under the flag without any hesitancy, who volunteered, who were in the forefront of the fighting, where daring and courage and resourcefulness were required. They come back to the reservation and find that the benefits of the GI law are denied to them. They did not fail their country; will their country now fail them?

I recognize that it would be difficult to obtain passage of an amendment to increase this revolving fund under the sentiment prevailing here today that is determined to block all amendments, but I am hoping when this bill goes over to the other body that a more complete presentation may be made of this subject and that the Senate will take into consideration the facts that I have presented to you here this afternoon, and make the revolving fund large enough to meet the situation I have described.

I now yield to the gentleman from Arizona.

Mr. MURDOCK. I merely wish to add my approval in general to what the gentleman has just said and to confirm his statement not only with regard to the courage and help of the Indians in the armed services but also to express the hope that this fund, which is a revolving fund to aid the Indian GI's, may be increased. It is certainly needed; and this demand comes from many other Indian reservations as well as the reservation of which the gentleman speaks.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. JOHNSON of Oklahoma. I wish to add my voice to what the gentleman has said. I am sure all of us are proud of the fine record made by the Indians; but the situation of which he complains, of there being a scarcity of lending agencies in the area, also applies, I am sure, to a very marked extent to other people. So I am sure the gentleman understands the Indians are eligible under the GI bill of rights the same as anyone else.

Mr. CASE of South Dakota. I understand their technical eligibility but my correspondence is heavy with letters from those who have tried and been denied from other sources.

The CHAIRMAN. The time of the gentleman from South Dakota has again expired.

By unanimous consent, the pro forma amendments were withdrawn.

The Clerk read as follows:

Roads, Indian reservations: For construction, improvement, repair, and maintenance of Indian-reservation roads under the provisions of the act of May 26, 1928 (25 U. S. C. 318a) and the act of December 20, 1944 (Public Law 521), \$1,700,000, to remain available until expended, of which amount not to exceed \$9,000 may be expended for departmental personal services: *Provided*, That no part of this appropriation shall be available except on the basis of apportionment among the States containing Indian population in the following manner: One-third in the ratio which the area of each State bears to the total area of all the said States; one-third in the ratio which the Indian population of each State bears to the total Indian population of all the States as shown by the Federal census of 1940; and one-third in the ratio of Indian road mileage which each State bears to the total mileage of all the said States.

Mr. CASE of South Dakota. Mr. Chairman, I wish to reserve a point of order on certain language in the paragraph which the Clerk has just read, and pending the making of the point of order I should like to address an inquiry to the subcommittee handling the bill. The point of order which I would make unless the chairman can make a satisfactory explanation would be directed against the proviso which reads as follows:

*Provided*, That no part of this appropriation shall be available except on the basis of apportionment among the States containing Indian population in the following manner: One-third in the ratio which the area of each State bears to the total area of all the said States; one-third in the ratio which the Indian population of each State bears to the total Indian population of all the States as shown by the Federal census of 1940; and one-third in the ratio of Indian road mileage which each State bears to the total mileage of all the said States.

I recognize that the one-third area, one-third population, one-third road mileage ratio is a carry-over of the statute that pertains to the original distribution of Federal-aid moneys which was matched by the States, but that particular division of money has never heretofore applied to the Indian road money. The Indian road money, while authorization exists in the general laws for public-road funds, has been under a separate section. I recall distinctly that in the postwar Highway Act of December 20, 1944, cited in this paragraph, it was on an amendment I suggested, accepted by the chairman of the legislative Committee on Roads, the gentleman from Utah [Mr. ROBINSON], whom I see on the floor, that an authorization was created for a \$6,000,000 annual road-building program on Indian reservations.

The Bureau of the Budget requested \$4,700,000 for the first year under that authorization and the committee has proposed to appropriate \$1,700,000. My understanding is that \$3,000,000 of the \$4,700,000 has been asked for the reconstruction of existing highways and \$1,700,000 for maintenance. The last amount is the figure which the committee has reported for the entire appropriation to Indian roads.

I would like to ask the chairman of the subcommittee why they added this one-third provision and if he knows how that will affect the distribution among

the several States with Indian population?

Mr. JOHNSON of Oklahoma. I may say to the gentleman that he is correct in saying we have followed the proviso of the Public Roads Administration in the way they have handled the distribution of funds, and I will add further that the Indians themselves have been demanding this for many years. This committee has called on the Indian Service to distribute the road money as the Indians feel it ought to be, on the same formula that other road funds have been distributed.

Let me say also that the distinguished gentleman from Oklahoma, an Indian himself, who understands better perhaps the desires of the Indians than some of the rest of us, appeared before the committee and offered this formula. Therefore I am going to ask my distinguished colleague from Oklahoma [Mr. STIGLER] to answer any further questions and make any explanation that the gentleman may desire.

Mr. STIGLER. Mr. Chairman, as I stated a moment ago, Oklahoma has one-third of the Indian population of the United States. The Indians cannot understand why the money is not distributed on a population basis and they cannot understand why the money was not distributed under the formula used by the Public Roads Administration. All this amendment does, it gives the money to the States which have the most Indian population; in other words, it is based on the Indian population, which occurs to me is very, very fair.

Mr. CASE of South Dakota. The fact is that under the one-third, one-third, one-third distribution for primary roads, little work was done within reservation boundaries. In my State for a number of years when Federal aid was distributed on that basis it was put into a general fund matched with the money created by the State highway gasoline tax, and then that money was distributed or apportioned among the counties of the State on the basis of assessed valuation, with the result that the counties with the taxed lands got most of the money that was distributed under Federal aid and the Indian counties with trust lands got very little.

Of course, I know that this particular road money is for the building of roads and trails on the reservations themselves that are not on the primary Federal-aid highway system; primary roads are presumed to be built out of the regular Federal aid.

How will you apply the formula that is here proposed? It would be extremely difficult in the reservations with which I am familiar to determine what is an Indian road. What would you count as an Indian road? Some of the trails which the Indians are obliged to use have never been surveyed or marked, but they are the only roads they have. They have never had any mileage computed on them. So it seems to me it would be extremely difficult to apply this formula insofar as it requires determining the mileage of Indian roads.

And, for that matter, who is an Indian? How many are there? In the

Committee on Appropriations the other day the gentleman from Illinois [Mr. DIRKSEN] told us that he had once asked the former Commissioner of Indian Affairs, "What is an Indian?" and he received a two-page reply. It was so general in character that it was impossible to determine what an Indian was and what would be the Indian population. So it seems to me that this formula offers tremendous administrative difficulties in determining what is the Indian population as well as determining what is a mile of Indian road, and because it is so difficult and because we do not have any tables, I am constrained to make a point of order against it.

I should like to have the attention of the Chair to the point of order which I shall now state, that is, I make the point of order against this language on the ground that it places additional burdens upon officers and employees of the Federal Government in that there is no determination as of today of the Indian road mileage in the several States, and that any computation of any apportionment of the money on the basis of one-third, or the ratio of the area in each State to the total area of all States, or a distribution involving a computation of the Indian population in relation to the Indian population of all the States, and the computation of the Indian road mileage, and the apportionment of the road money on that basis, would place additional burdens on the administrative officers and consequently comes within the category of legislation and is not in order on an appropriation bill.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. JOHNSON of Oklahoma. Yes, Mr. Chairman. First, let me again read the exact words of the amendment which was very carefully prepared by one of the greatest experts that the committee has access to:

*Provided*, That no part of this appropriation shall be available except—

Now, that part of it clearly indicates that it is a limitation. Except what? Except on the basis of apportionment among the States containing Indian population, and then sets out the following manner. It is a limitation pure and simple. I am not basing this on the Holman rule, but on the fact that this is a definite limitation. That must be admitted.

Mr. PHILLIPS. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. Does the gentleman from South Dakota desire to be heard further?

Mr. CASE of South Dakota. Very briefly, Mr. Chairman.

The gentleman from Oklahoma has made reference to the Holman rule. I agree that it is not involved here. The Holman rule authorizes legislation where there is a reduction in appropriation, and that reduction in appropriation must be apparent on the face of the bill. There is nothing at all that is apparent here in the language of this paragraph that this particular proviso accomplishes one cent of reduction. As a matter of fact, Mr. Chairman, obviously, if you are going to



go out and measure all the Indian roads on all the Indian reservations, it will require additional employees, and it will require additional expenditures to accomplish that, in addition to the fact that it does impose additional administrative duties. Under the guise of a limitation, even though you say that no part of the funds may be available for a certain purpose, when you use the word "except" and follow that word "except" with direct, positive administrative duties and place them on an administrative officer, it becomes legislation and is not a pure limitation.

The CHAIRMAN. Permit the Chair to suggest that in the opinion of the Chair the Holman rule is not involved in the question presented here. It is clearly a question of a limitation. The Chair would be pleased to hear the gentleman from South Dakota if he has any observations to make on that point. Although some duties might be involved, if the limitation is imposed—and that is the important point to which the Chair would like to invite the gentleman's attention—the question presented is whether it is a proper limitation on an appropriation bill.

Mr. PHILLIPS. It is on that point that I wish to be heard also, Mr. Chairman.

Mr. CASE of South Dakota. Would the Chair hear the gentleman from California while I look up a reference?

The CHAIRMAN. The Chair will be pleased to hear the gentleman from California.

Mr. PHILLIPS. I thank the Chairman.

The point I wish to make has been partially made by the gentleman from South Dakota. It was in answer to the gentleman from Oklahoma, the chairman of the committee. We cannot take for granted, as the chairman seems to do, that this is a limitation, because we are devising a new formula here which is as yet unknown, and no one knows what the result will be. It seems to me this is in itself definite evidence that the formula should go before a legislative committee for investigation. If we are to have legislative committees, and if the rule requiring legislative items to be left out of appropriation bills is to hold, certainly a detail which requires the discussion and analysis that this one does, is a proper item for prior legislative approval. I support the point of order, Mr. Chairman.

Mr. CASE of South Dakota. It was never my contention, Mr. Chairman, that the Holman rule is involved here. We are all agreed on that. My only reference to the Holman rule was in comment upon what the gentleman from Oklahoma had said, to say that the Holman rule was not involved, because the Holman rule contemplates a reduction apparent on its face. My point of order was that this places mandatory duties upon executive officers and thereby constitutes legislation.

I have in my hand Cannon's Procedure in the House of Representatives, and respectfully invite the attention of the Chair to the very many citations which are made on page 46 under the head of "Executive discretion." These are prop-

ositions which have been construed as legislation. I read one reference here:

Establishing affirmative directions for an executive officer.

Another:

Making mandatory on the part of an executive officer an action within his discretion under existing law.

Obviously, the Commissioner of Indian Affairs might, if he wished, divide the road money on this particular formula, but he is not required to by existing law and this proviso seeks to require him to do it by saying that the money shall not be available except on that basis. Then it imposes additional duties. This, in effect, changes the law. I submit to the chairman that to do this when it does not exist in statutory law is amendatory of existing law and would impose additional duties on the executive branch of the Government.

The CHAIRMAN (Mr. COOPER). The gentleman from South Dakota makes a point of order against the language appearing in the bill, the proviso on page 24, lines 12 to 21, on the ground that it is legislation on an appropriation bill and imposes additional duties on executive officers. The Chair has examined the language with considerable care. The Chair invites attention to the fact that the language provides these funds may be available for certain purposes. Although some determinations may be involved in the carrying out of the provisions are here included, the Chair is of the opinion this does constitute a definite limitation on an appropriation bill. The Chair is of the opinion it comes clearly within the long line of precedents established under the rules of the House. Therefore the Chair overrules the point of order.

Mr. CASE of South Dakota. Mr. Chairman, another point of order. I recognize the force of the ruling which the Chair has just made. I assume that the ruling can be sustained on the ground it is not obligatory on the Commissioner of Indian Affairs to spend the money at all and this might be construed as a limitation in the sense that if he spends it he must spend it under this formula, so I will now make a point of order against the words appearing in line 10, on page 24, "to remain available until expended," on the ground that this is an appropriation bill for the fiscal year ending June 30, 1947. The language "shall remain available until expended" might exceed the jurisdiction of the committee. The effect of removing these words will be, I trust, to indicate that it is intended that these funds shall be used in the fiscal year 1947, which begins July 1, 1946.

Mr. JOHNSON of Oklahoma. Mr. Chairman, the committee concedes the point of order.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

Support of Klamath Agency, Oreg. (tribal funds): For general support of Indians and administration of Indian property under the jurisdiction of the Klamath Agency, payable from funds held by the United States in trust for the Klamath Tribe of Indians, Oregon, \$106,000, of which not to exceed \$4,500 shall be available for fees and expenses

of an attorney or firm of attorneys selected by the tribe and employed under a contract approved by the Secretary, and for relief, including cash grants.

Mr. STOCKMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STOCKMAN: Insert at the end of line 5, page 27, after the words "including cash grants" in the paragraph dealing with Klamath Indian funds the following: "Provided, however, That there is hereby appropriated for the use of the Klamath Tribe of Indians an additional sum of \$106,000 for carrying out the program of the said tribe in the purchase and propagation of cattle, subjugation of raw lands, to increase production, for tribal relief, for law and order, and for the expenses and salaries of the Indians engaged in tribal business, in carrying out said tribal program; namely, for the purchase and expense of the cattle program \$52,635; for subjugation purposes \$12,000; for tribal relief \$20,000; for maintenance of law and order \$6,840, and for per diem expenses and salaries of Indian employees the sum of \$15,000."

Mr. STOCKMAN. Mr. Chairman, the Interior Department appropriation bill—pages 26-27—authorizes \$106,000 out of tribal funds for the support of the Klamath Agency. This is for general support and governmental administration of Indian property.

The original recommendations totaled \$212,000. This amount is reduced, therefore, by \$106,000 or a cut of 50 percent.

The Klamath Indians adopted a program to care for their own needs and develop their resources and it is as to this program that the 50 percent cut is made. No appropriation is authorized for any item in this program of self-help and self-development. The items eliminated are five in number, namely: First, cattle program; second, subjugation of raw lands; third, tribal relief; fourth, law and order; and fifth, salaries and expenses of Indians engaged in tribal business and in carrying out this tribal program.

In short, administration expenses under governmental supervision are covered by the appropriation, but administration and development and self-help by the Indians themselves, out of their own funds, are denied.

First. Cattle program: The Klamath Tribe agreed to and actually received about 4,000 head of cattle in 1935. These they farmed out to individual Indians, to be paid for in kind. This program contemplated a continuous development and payment. A tribal agreement in 1943 contemplates payments extending to April 1, 1949, for about 2,000 head of cattle. The bill cuts out funds for such purchases and for the expense of such operations and denies \$52,635 for such purposes. This virtually kills the development of the livestock enterprise.

Second. Subjugation of land: Individual Indians are unable to purchase the needed equipment for clearing their lands to make them available for pasturage and irrigation. The tribe, therefore, agreed to acquire such equipment and then require the individual benefited to pay the cost of the subjugation work done for him. This program is canceled by refusal to authorize the use of \$12,000 for that purpose. The growth of the

cattle industry alone justifies this expenditure.

Third. Tribal relief: The Klamath Indians cannot obtain relief from county or State. There are blind, infirm, and otherwise helpless Indians on the reservation, many of whom require aid from some source. The tribe proposes to care for these needs out of tribal funds and asked for the first time for an adequate sum, namely, \$20,000, for such use during the next fiscal year. This laudable move to help their own people is denied.

Fourth. Law and order: The tribe, on its own motion, has employed two game wardens to protect the game of the reservation and two cattle inspectors or detectives to keep track of all stock on the reservation and their removal therefrom. This common-sense effort to conserve their own property is denied by refusing \$6,840 for 1 year's cost. The War Overtime Pay Act requires an additional amount.

Fifth. Tribal per diem and salaries: The money asked for this item, \$15,000, goes exclusively to Indian employees. It includes the cost of the general tribal council, occasionally in session, and of the business committee, more constantly in session, and the expenses incident to the transaction of tribal business, including delegates to Washington when required. The denial of this sum in effect puts almost an end to the tribe caring for its own business.

The \$106,000 authorized by the appropriation bill has very little effect on tribal capital, since \$90,000 thereof will be covered by interest on tribal funds in the United States Treasury. The tribal council, therefore, in asking for about \$120,000 additional for all purposes, chiefly for self-care and development, believes it is following a sound constructive policy and one which the Congress should recognize and approve.

Individual members of the tribe have invested more than \$1,000,000 in war bonds, and had about 140 in the armed services of the Nation during the war period. This represents an enrolled membership of about 1,500. The Klamath Indians, therefore, believe they are entitled to have their own wishes with respect to their own funds, especially if their program is sound, accepted by all governmental authorities.

Mr. JOHNSON of Oklahoma. Mr. Chairman, as much as I dislike to do so, I feel obligated to oppose the amendment.

For many years we have had people in Congress and out of Congress who have been extremely liberal with funds belonging to the Indians. We have seen Indian tribes, like the Osages in Oklahoma who at one time had a lot of money, go practically broke. The Congress is to some extent responsible. It has been too liberal in permitting those Indians to spend their own funds. It has said, simply because they had the money, "Well, let them spend it as they please." So we find that that tribe which only a few years ago had twenty-five or thirty million dollars a year income is practically broke today.

Taking that into consideration, the committee not only reduced the appro-

priation for the Klamath Indians who have considerable funds, but we also reduced the appropriation for the Osages in Oklahoma. Let me tell you why we did it. We looked at the record. We found that the Klamath Indians had spent from forty to fifty-five thousand dollars over a period of several years for this same tribe of Indians. Two official representatives of those Indians came before us, and each of those members of the Klamath tribe agreed that if we permitted the Indians to spend the money that their 10-year program called for—and this amendment would be about in keeping with that program—this tribe would be broke, and \$25,000 in the red within the next 10 years.

I do not believe it is the idea of Members of Congress to bankrupt these Indians merely because they now have some extra funds on hand. The fact is this committee is giving this tribe more than three times as much as it had over a period of several years. Included in this item is about \$18,000 for relief of poor and needy Indians. If you read the record and found that Indians with money in the bank, with good farms, with no mortgage against them, are actually on relief on the Klamath Reservation, you would understand why the committee reduced the amount substantially for relief.

Eighteen thousand dollars for relief. Relieve whom? Nearly all of those Indians have land, and I will say to you that if you do that thing you are condoning one of the most sordid chapters in Indian history where money belonging to all of the tribes has been paid out in some instances not only to home owners but also wealthy Indians. This cannot be condoned. I say to you that any Member who read the record or who heard the testimony would say that this committee was not only fair, but was liberal in this appropriation in giving twice as much as they had in former years. I hope you will vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. STOCKMAN].

The amendment was rejected.

The Clerk read as follows:

Support of Osage Agency and pay of tribal officers, Oklahoma (tribal funds): For the support of the Osage Agency, and for necessary expenses in connection with oil and gas production on the Osage Reservation, Okla., including pay of the superintendent of the agency and of necessary employees, and pay of tribal officers, including the employment of a tribal attorney at the rate of \$4,500 per annum to be appointed with the approval of the Osage Tribal Council under a contract to be entered into between said tribal attorney and the Osage Tribal Council, which contract shall be approved by the Secretary of the Interior; not to exceed \$1,500 for the education of unallotted Osage Indian children in the Saint Louis Mission Boarding School, Okla.; payment of damages to individual allottees; repairs to buildings, rent of quarters for employees, travel expenses, printing, telegraphing, and telephoning, and repair and operation of automobiles, \$186,027, payable from funds held by the United States in trust for the Osage Tribe of Indians in Oklahoma: *Provided*, That of the said sum herein appropriated \$7,500 is hereby made available for travel and other expenses of

members of the Osage Tribal Council, business committees, or other tribal organizations, when engaged on business of the tribe, including supplies and equipment, not to exceed \$6 per diem in lieu of subsistence, and not to exceed 5 cents per mile for use of personally owned automobiles, when duly authorized or approved in advance by the Commissioner of Indian Affairs.

Mr. MANSFIELD of Montana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MANSFIELD of Montana: Page 27, after the period in line 25, insert "Development of Hot Springs Enterprise, Federated Salish and Kootenai Indians, Mont., tribal funds: For all expenses necessary for the development of a health resort on the Flathead Indian Reservation, at Hot Springs, Mont., including the construction of buildings, the payment of tribal architectural and engineering fees, \$350,000, to remain available until expended, payable from funds held by the United States in trust for the Federated Salish and Kootenai Tribe of the Flathead Reservation, Mont."

Mr. MANSFIELD of Montana. Mr. Chairman, the purpose of this item is to authorize the use of \$350,000 of tribal funds for the construction of hotel and bathhouse facilities on tribal lands of the Salish and Kootenai Indian Tribes adjoining the town of Hot Springs, Mont.

This appropriation has been asked for by the Bureau of Indian Affairs and approved by the Budget Bureau in order to supplement and expand the bathhouse facilities now operated by these tribes.

The total estimated cost of this development when completed is \$650,000. To date \$15,000 have been spent by the tribe in its efforts to create a facility at this hot spring, which is considered quite good for its medicinal qualities.

I hope the House will not be misled by use of the term "hotel" and "bathhouse" because it is to these hot springs that Indians from western and central Montana come when they feel in need of medication and do not feel well. This bathhouse and its facilities will be used for the welfare of Indian veterans. My colleague from South Dakota and others in this House this afternoon have told you just how valuable the Indian contribution in this war has been. It will give a great deal of help and needed assistance to the Indian sick. It will be money well spent and will be most beneficial as far as the Salish and the Kootenai Indians themselves are concerned.

Mr. D'EWARD. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD of Montana. I yield to my colleague from Montana.

Mr. D'EWARD. This tribe of Indians has an income from a power development of from \$200,000 to \$300,000 per annum. Is not that true?

Mr. MANSFIELD of Montana. That is approximately correct.

Mr. D'EWARD. In addition to that, they have other income from a large and very successful irrigation project?

Mr. MANSFIELD of Montana. That is correct.

Mr. D'EWARD. The development of this hot springs is a natural beauty spot that has already been used to quite an extent and the money of this tribe will



be used for that development; is that correct?

Mr. MANSFIELD of Montana. My colleague is absolutely correct. These are tribal funds we are asking for and we want to see the benefits which these springs can give, not only to the Indians but to all the people, developed to the maximum capacity.

Mr. D'EWART. There is no possibility of these Indians having a deficit because of this construction. It should add to their welfare and to their income.

Mr. MANSFIELD of Montana. Absolutely because the springs themselves furnish the means whereby they can have a continued and definite return.

Mr. D'EWART. I hope the committee will support the gentleman.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD of Montana. I yield to the gentleman from South Dakota.

Mr. MUNDT. What tribe of Indians is this?

Mr. MANSFIELD of Montana. The Salish and Kootenai, usually known as the Flatheads.

Mr. MUNDT. May I say that we were on an investigating trip in the State of Montana a couple of years ago with the Indian Affairs Committee. We met with some of the leaders of that tribe and found them to be in excellent financial condition, in a highly advanced stage of civilization and fully as able to manage their affairs as the white people of the community.

Mr. MANSFIELD of Montana. I agree with the gentleman.

Mr. MUNDT. I think the Congress should go along with them and make this money available.

Mr. MANSFIELD of Montana. I agree with the gentleman and thank him.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Montana.

Mr. Chairman, the reason why the committee did not make this money available will be found on page 1032 of the hearings. Mr. Fickinger from the Indian Office, appeared before the committee and when asked if the Indians had sufficient funds now on hand to embark on this rather elaborate business enterprise he advised the committee they did not have the money at this time. I shall read the record:

Mr. FICKINGER. I might point out, because the question will undoubtedly arise in your minds, the tribe at the present moment does not have the full amount on deposit in the Treasury.

Then he went on to say that they will have some funds available from the Montana Power Co., about \$200,000.

This being true, Mr. Chairman, it would certainly just about bankrupt the tribe, even when this money becomes available. If it turned out to be a good project, then well and good, but this committee did not feel like embarking on an elaborate business proposition like that, taking the responsibility of practically bankrupting an Indian tribe.

Just let us suppose that the scheme or enterprise is a failure, and we do know that a lot of people have made failures when the venture looked very rosy. Suppose it is a failure, suppose we do bankrupt this tribe; then every Member of this Congress is or will be responsible for having done that if this amendment is adopted. Our committee thought that the amount involved, \$350,000, belonging to a tribe of Indians was of sufficient importance that a subcommittee should go out there and study the matter carefully before putting our O. K. on it. We have no feeling in the matter at all. We have a great respect for the gentleman from Montana and we know he is doing fine work for the Indians and is deeply interested in their welfare.

Let your conscience be your guide. This committee ought to know, however, that we did not want to take the responsibility of entering on such an elaborate business enterprise that might be a failure and, if so, would bankrupt this particular tribe of Indians.

Mr. D'EWART. I think the chairman the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Montana.

Mr. D'EWART. I think the chairman is under a misapprehension when he says that the \$200,000 is not now in the tribal funds. That is an annual income. The \$200,000 that the gentleman mentioned is an annual income. It comes to those Indians every year, year after year, and is generally in a larger amount. In addition to that this tribe has other income, and therefore there is no question of bankrupting the Indians. This is not a lump sum that they expect to get. It is an annual income to this tribe.

Mr. JOHNSON of Oklahoma. In answer to that I shall have to read further the record. This is \$350,000 that we are proposing to spend. Mr. Fickinger says it is not in the Treasury; it is in the making but they do not have it now. We asked the Assistant Commissioner, Mr. Zimmerman, who was present, what the annual income of these Indians is, and I quote now from Mr. Zimmerman. He said:

From now until 1953 the annual income from this source to these Indians will be \$250,000 a year.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

The question is on the amendment offered by the gentleman from Montana [Mr. MANSFIELD].

The amendment was rejected.

Mr. RAMEY. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on the item of topographic surveys at the point where it occurs in the pending bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read as follows:

The following sums are appropriated out of the special fund in the Treasury of the United States created by the act of June 17, 1902 (43 U. S. C. 391, 411), and therein designated "the reclamation fund," to be available immediately:

Mr. JOHNSON of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this point to say a word about the Reclamation Service and also about one of the main projects they are administering.

In 1927 it was my pleasure to meet a man by the name of Arthur P. Davis, who was at one time Reclamation Director. In my judgment, he was one of the greatest men I ever met, a man with vision, ability, courage, and everything that it takes to make a great man. I have known Mr. Page and I have known Mr. Bashore. I know the present Administrator, Mr. Strauss. All of them are very fine, excellent, able men. It really hurts me to hear some of the criticisms of the Bureau of Reclamation that I hear sometimes, not from members of the committee or of this subcommittee but from other persons. These men in the Reclamation are career men. They are devoting their lives to developing the resources of this Nation, so we may have a prosperous and a happy citizenry. More power to them and may their plans and dreams come true.

One of the largest projects and the most ingenious one that they are developing is the Central Valley project in California. For some reason or other many Members of Congress think this is something new, that it is novel, that we are pioneering. As a matter of fact, this project was conceived many, many years ago. It is just carrying out the dream that some great Californians had. For instance, a man by the name of Rudolph Spreckels, the noted banker in San Francisco, the man who personally financed the graft trials in 1908 which purged San Francisco of its crooked tricks and sent Hiram Johnson on to fame urged the plan. One of the really great men of California, Mr. Spreckels many years ago, had a specific, definite plan to utilize and coordinate the waters of California. It was called the Water and Power Act. He was far ahead of his time in vision and daring. They did not take his program. But right this very hour, in the Central Valley water project, in which we have invested millions of dollars, we are carrying out in substance the program of Mr. Rudolph Spreckels.

In the early twenties California began a comprehensive study of the water resources of California from which was developed the Central Valley water project, which was approved by the voters of California overwhelmingly. They voted bonds to the extent of \$170,000,000 to carry out this very project we are talking about today. Later on we did not have the funds. We came to the National Government for aid. Today the Reclamation Bureau is carrying out this great project.

Many men have made contributions to the carrying out of this great plan. The one who has been at it longest and who perhaps has contributed most is Edward Hyatt, the director of the Water Resources Division of the Public Works Department of California.

I want to point out especially to the Members that are here today that when

we are talking about balancing the Budget we should not include these sums of money that go for the Central Valley water project and that are listed on page 45 of the bill. Every one of these items, and the total item, will be paid back, dollar for dollar, with interest on part of the funds. When we talk about balancing the Budget, we need to take in enough in taxes to pay the expenses of government which are not reimbursable, but every one of these items is a reimbursable item. So all we are doing is getting the Government to loan the money to complete this project, which will be so beneficial to California and the Nation, and all of the moneys advanced for irrigation and hydro-electric energy will be paid back in full.

In the area served by this project is raised and canned one-third of the canned goods, fruits, and vegetables that are consumed in the United States. In this particular area the value of the land is being increased by putting water on the land. For instance, in my county, bare land that does not have irrigation is worth about \$60 an acre. With irrigation brought to the land it becomes land worth from \$200 to \$1,000 per acre.

I call these matters to your attention because I want to offer two small amendments to this bill. They are not offered in any spirit of hostility to the committee, which has been most generous and most courteous to me. But they are items which I think should be changed in a minor way so that this project can be carried out to completion as quickly as possible. We have locked up in Federal funds in this great project \$165,000,000 to date. The quicker we can finish the project the sooner will the taxpayers of the Federal Government be paid back the cost of the irrigation and the hydroelectric features of the plan.

Mr. D'EWART. Mr. Chairman, the development of the resources of the Missouri River Basin is of vital importance to the State of Montana. Our State, which is the third largest in the Union, is dependent to a large degree on a precarious dry farming and grazing economy. The drought periods of the 1930's made it clear to us just how precarious it is. At the same time we had ample opportunity to recognize the stabilizing effect of irrigation works which now serve approximately 1,700,000 acres throughout the State. Montana and the other Plains States in the Missouri Basin have waited a long time for something that seemed to be guaranteed by the Flood Control Act of 1944, when Congress authorized the comprehensive plans of the Department of the Interior and the Corps of Engineers. The people of Montana are going to feel mighty let down if the rest of us in the House go along with the committee's recommendation of a little over \$10,000,000 for work by the Bureau of Reclamation in the Missouri Basin.

Let me tell you what the initial stage of the Missouri River Basin project means to Montana. It includes 7 units which will irrigate 530,000 acres, generate 481,800,000 kilowatt-hours of power annually, and provide important flood control and other benefits. One of these units is the Canyon Ferry Dam and power plant located on the Missouri River

near the capital city of Helena. This dam is designed to store flood flows for irrigation and for generation of power. Construction is supposed to start early in the fiscal year 1947. A second unit with plans well advanced is the Marias unit in north-central Montana, where irrigation is badly needed. This development consists of a storage reservoir and canal system which will serve 120,000 acres.

Another development is the Yellowstone pumping unit, which includes 24 subunits comprising 94,460 acres of irrigable land in the southwestern part of the State. The Savage subunit of this development is ready for construction early in the next fiscal year, and it was hoped to proceed with detailed planning on the other subunits. The remaining units scheduled for planning and pre-construction work in fiscal year 1947 are: South Bench, near the town of Three Forks, Mont.; Glasgow Bench, on the Missouri River, in Valley County; Hardin unit, on the Big Horn River; and the Montana division of the Missouri-Souris development in the northeastern part of the State. I do not see how anyone could be expected to carry on any kind of a program in the Missouri Basin with only \$10,000,000. The work in Montana alone could use that much. Remember, however, the \$10,000,000 has to be distributed to work in seven basin States. So, if we let the committee's recommendation stand all that work cannot be done, no matter how badly it is needed.

The development program for the Missouri River Basin, approved by passage of the Flood Control Act of 1944, is the culmination of long years of effort by many groups to do something about the ravages of flood and droughts in this great region, which comprises one-sixth the total area of the United States. The amount requested for the Department of the Interior for next fiscal year is approximately \$23,000,000. The committee has reduced this to \$10,312,000. This reduction jeopardizes the success of this project, which is of vital importance to the whole Nation. At this rate our grandchildren will not live to see the job completed. We want the existing agencies to do this job. But they have to have the necessary funds to carry on. The people in my district do not want a valley authority, but they do want the job done. We have got to give the existing agencies what it takes to do the job.

In addition to funds for construction, the funds requested for administrative salaries and expenses are essential and should not be the target for reductions which would handicap the Bureau of Reclamation in holding together the technical and administrative organization needed to carry on its activities. The committee reduced the Budget recommendation of \$5,500,000 to \$4,000,000 for this purpose. I urge adoption of the full amount recommended by the President and the Bureau of the Budget as the minimum requirement for successful prosecution of the integrated Missouri Basin program and other reclamation work.

#### PORT PECK PROJECT

The drastic cuts proposed for the appropriations for the Bureau of Reclamation will severely curtail the irrigation

development of the arid western half of the United States and will particularly affect the great State of Montana in which I am deeply interested. If these cuts are allowed to stand, it will seriously impair the normal development of the irrigation works which the people of my State need if they are to contribute their share of agricultural products for the world-wide food program to which the United States is committed. In order to fully appreciate the part that power plays in our irrigation development in the State of Montana, I wish to take a few moments to explain the functions of the project.

The Fort Peck project consists of a dam, reservoir, power plant, and a transmission system for making the power generated at the plant available at various load centers. Although the Fort Peck Dam and Reservoir was constructed primarily for navigation purposes and to provide flood control along the Missouri River, the power developed incidental to these water releases plays an important part in the agricultural development of the area.

Funds have been previously granted to initiate construction of the Fort Peck-Williston transmission line and the Williston substation, an integral part of the line from Fort Peck to Garrison being built to supply construction power at the Garrison dam site on the Missouri River. Funds were also previously granted for initial construction on the Glendive-Miles City transmission line and the Miles City substation. Additional funds are now requested to complete these lines at an early date to assure a source of power for irrigation pumping along the Yellowstone River. These transmission lines serve as the backbone system for furnishing power to REA cooperatives and irrigation pumps.

The reduction in funds for irrigation pumping, transmission lines, and substations in the Yellowstone River district will curtail work already begun in supplying Fort Peck power to a large number of irrigation pumping plants through the facilities of REA cooperatives as well as to project pumping plants. Similarly, the complete elimination of funds for irrigation pumping, transmission lines, and substations for both the Missouri and the Milk River districts will seriously affect the development of REA cooperatives within these districts. Without having electrical energy available at reasonable rates from the Fort Peck project, the cooperatives will find it difficult if not impossible to expand their system sufficiently to permit the full agricultural development of the area covered by their proposed distribution systems.

I consider the full restoration of the proposed cuts in appropriations for this project as being vital to the continued growth and development of the area embraced by this great project.

#### SUN RIVER PROJECT

The Sun River irrigation project, located west of Great Falls, Mont., along the north and south side of the Sun River, is one of the oldest reclamation projects in existence, water having been first delivered in the year 1909. Com-



plete restoration of the appropriations for this project, operated solely for the agricultural development of the area, is necessary to safeguard the continued operation of the project which has served these many years.

Proposed repairs on the spillway tunnel and needle valves cannot be deferred further without causing excessive damage which may lead to higher costs for future repair work. Construction of an enlarged concrete siphon to replace the present unreliable wood-stave pipe is necessary to assure the delivery of water to lands now under irrigation. Additional canal work will be required to increase the capacity sufficiently to carry the added quantity of water made available by the construction of this siphon. Considerable land can be reclaimed for agricultural purposes by construction of additional drainage facilities.

It is felt that this work will greatly enhance the possibility of making more acreage available for food production. In view of this, full restoration of the funds is imperative.

#### CONCLUSION

Mr. Chairman, this development of the Missouri Basin has been approved by the President of the United States. It has been authorized by the Congress. Large sums have already been spent in making studies, surveys, and the necessary preliminary examinations to get this work under way. Appropriations have, in addition, been made on the start of construction on a number of these projects.

While I realize that a large sum of money is being carried over from past appropriations, the amount carried in this appropriation measure is not adequate to go ahead with the work in this basin as contemplated. This is a time when millions of people are suffering starvation, a time when there is extreme doubt as to whether there will be food enough to go around for several years, a time when veterans are returning from the war and looking for opportunities not only to start farms but to establish small businesses, by which they can build homes and maintain families. It seems unbelievable that this Congress should, at such an important period in the development of this Nation, refuse to grant the funds necessary to go ahead with this tremendous development, affecting one-fifth of the area of the country.

This money is not a gift out of the Treasury. It is a loan that will be returned, not only the principal, but many additional times in increased wealth of the Nation and increased property and income taxes. It will stabilize not only the agriculture of that area, but the whole economy of this section of the United States, which suffers repeatedly from droughts. The food is needed. Stabilization of the economy of this basin is needed. The opportunities for farms, business, and homes for veterans are needed. This is our opportunity to go ahead with the great development that will include irrigation, soil conservation, power development, rural electrification, development of our wildlife resources, and an increase in our food supply, which experience is teaching us is going to be

vitaly needed. I trust this Congress will see fit to grant the appropriations proposed by the Budget.

Mr. MUNDT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I simply wish to voice my disappointment over the fact that the subcommittee on appropriations has felt it necessary to reduce as much as they have the money appropriated under this section of the bill for the construction and study of irrigation and reclamation projects. We have out in the great Central West, in the Missouri River Valley, under way at this time both engineering and construction and investigation projects which are being undertaken in conjunction with the Army engineers in the development of the so-called Pick-Sloan Missouri River development plan.

The funds which are made available for the continuance of that work in this bill, I find, are inadequate to achieve the type of progress which is warranted by the importance of the project. I do not feel that working in the Committee of the Whole we can revise and expand these appropriations with due consideration and with the proper type of accuracy required in legislation as important as this. I do want to voice my disappointment at this time, however, and suggest that along with me other Representatives interested in these projects and in this type of activity might well join in discussing this serious situation with members of the Appropriations Committee of the other body when the bill gets to that point so that in the hearings and in the proper deliberative atmosphere of a committee perhaps we will be able to make some additions at points where additions are most definitely needed.

If we succeed in that effort, I hope that when we return this body will join us in supporting some greatly warranted increases for this type of work along the Missouri River Valley and other areas of the country. Since the Missouri River development program has been authorized by Congress and is an approved project I consider it economy rather than extravagance to proceed with its completion as rapidly as practical considerations permit. To achieve this desired result, we shall require more funds for planning and preparatory work than are provided in this bill as presently written. For that reason, I for one, expect to request increased appropriations in this section of the bill from the Members of the other body. I hope others will join me in this approach. If we marshal our arguments wisely, I believe the facts will speak so eloquently that we can secure additional funds on the other side of the Capitol and in that event I now urge the Members of the House to support such increases when the legislation comes back from conference. It would be penny-wise and pound-foolish to cripple this great project by inadequate appropriations at this time for the systematic and scientific completion of the necessary preliminary studies.

Mr. Chairman, in the Flood Control Act of 1944, the Congress authorized the coordinated plans of the Department of the Interior and the War Department for the development of the Missouri River

Basin. A total of \$13,980,300 has been appropriated in the regular 1946 appropriation bill and the First Deficiency Act of 1946 to the Department of the Interior to begin work on its part in the plan. These funds were to finance the start of construction by the Bureau of Reclamation on three of the units in the authorized initial stage and necessary detailed planning on the remainder of the plan. Also a part of these funds are to finance related activities of seven other agencies in the Department of the Interior to assure the coordinated and integrated development of all the resources in the basin, including fish and wildlife, recreation, mining, public lands, and many others. The Budget Bureau recommended an appropriation of \$23,783,600 with which to continue the work started this year. As the bill now stands, with \$10,312,685 for this work, there will be a serious delay and the whole program will be jeopardized.

One of the units in the authorized initial stage of development is the Oahe—James River—unit in central South Dakota. The plan of development for this unit consists of pumping water from the main stem of the Missouri and transporting it by a canal 125 miles eastward to irrigate approximately 750,000 acres in the James River Valley. The Bureau of Reclamation is mapping the area and developing the details of the irrigation system. The Geological Survey is studying ground water conditions so that ground water supplies can be integrated with surface water supplies. The intricate problems connected with the irrigation of this large body of land requires a considerable period of intensive study if the best all-around plan is to be developed. The Budget recommendations of \$23,783,600 for the Missouri Basin included funds to carry on the required program of investigations. The reduced amount in the bill cannot possibly provide for the necessary work on the Oahe unit and also for the impending construction program. This will be a serious disappointment to the people in the James River Valley.

Residents in the James River Valley are looking forward to the day when the power that will be generated at the power plants to be built as a part of the Missouri Basin plan will be available for use. They know that it is not possible to build one of the power plants in their immediate area so they realize that a transmission line system is necessary if their REA's and municipalities are to be served with the power that will be generated at the Government dams. Construction of an integrated transmission-line system to all parts of the basin is an essential part of the plan and it must be carried out by either public or private agency.

Another item of importance to the reclamation program is the salaries and expense item. These funds provide for the administrative costs of the program. Work such as the Missouri Basin project is just getting under way and work that was delayed during the war is being resumed. It is essential that the administrative offices be properly manned for the efficient administration of the work entrusted by the Congress to the Bureau

of Reclamation. The Budget recommendation of \$5,500,000 for salaries and expenses is less than 5 percent of the total program. Any lesser amount than the \$5,500,000, such as the \$4,000,000 now in the bill, will seriously cripple the businesslike and efficient management to which the Bureau of Reclamation's program is entitled.

Mr. Chairman, as part of America's plan for increasing employment and economic opportunities for ex-service-men and women, and as part of the whole program of better utilizing our national resources, it is prudent investment policy to appropriate adequately now for the advancement of the Missouri River development program.

Mr. JENSEN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I have listened with interest to the gentleman from South Dakota [Mr. MUNDT], who preceded me. Of course, like the gentleman from South Dakota [Mr. MUNDT] I am greatly and directly interested in the development of the Missouri Valley. I do, however, want to keep the record straight. First, may I say I doubt there is anybody in America more interested in the development of the Missouri Valley than yours truly, the humble servant of the people of the Seventh Iowa District, since no district has suffered more from the flood waters of the Missouri River than have five counties in my district. But to keep the record straight, it must be stated in all fairness to the members of the Subcommittee on Appropriations for the Interior Department, of which I am a member, that the original request by the Bureau of Reclamation was for a sum greater than that which they finally requested and submitted in writing to the committee. So it should be known that the Bureau of Reclamation has recommended the amount which is now in this bill for the Missouri Valley development and for many other reclamation and irrigation projects.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I am glad to yield to the gentleman.

Mr. MURDOCK. Is the gentleman now referring to the letter from the Commissioner of Reclamation which gave a new estimate, cutting to a much lower figure the original estimates?

Mr. JENSEN. Yes.

Mr. MURDOCK. I find that same list is in the committee report, on pages 17 and 18. However, in part II of the hearings, page 487, the entire letter is set out. It seems to me the committee has taken a list of that letter and apparently overlooked one paragraph of that letter, namely, the last. In the concluding paragraph of that letter the Commissioner states that that policy of reduction will be destructive of the program, if adopted.

Mr. JENSEN. Now, in order to clear up this matter once and for all, the fact of the matter is that the Bureau of Reclamation submitted the original request for funds. The able and honorable chairman of the committee [Mr. JOHNSON], with the consent of the committee,

said to the Bureau of Reclamation, "Now, this is what you want, but we would like to know what you actually need for the fiscal year 1947." The chairman, with the consent of the committee, said to Mr. Krug, "Will you please go over this list again and bring back the figures which is the amount you will actually need for the fiscal year 1947?" They did that. The amount that was allowed in this bill for the Missouri Valley development program is almost identical with the revised figures, with the exception that we did eliminate some transmission lines, distribution substations, and some other related facilities which the committee felt certain were not needed at this time.

Those are the facts in the matter, as the chairman of the committee will verify.

Mr. MURDOCK. Will the gentleman yield further?

Mr. JENSEN. I yield.

Mr. MURDOCK. I find on page 487, at the conclusion of the letter to which I have referred, in the final paragraph it is stated that this plan of reduction will be destructive of the reclamation program. Did the committee take into full consideration both the reduced list and the closing warning?

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. Certainly.

Mr. JOHNSON of Oklahoma. Of course, this committee did not attempt to give the Reclamation Service all that it wanted.

Mr. JENSEN. That is right.

Mr. JOHNSON of Oklahoma. But the gentleman from Iowa is absolutely correct when he states that this committee asked the Reclamation Service to give us the lowest figure on which they could operate efficiently.

Mr. JENSEN. That is right and it cannot be denied in truth and in fact.

Mr. JOHNSON of Oklahoma. Naturally they wanted every dollar requested, but they submitted a list to us and we are convinced they can operate without any slow-down on the money allowed. The fact that they sent this face-saving letter was considered by the committee as an empty gesture. Of course they said they wanted more money. But let me say that the man who signed and sent that letter while a very affable gentleman is not an engineer. As an excellent publicity move he could not be considered the last word on what is actually needed for construction projects. The members of the committee who have listened to this testimony for years have some understanding of the needs. The committee has accepted the revised figures as given to us by the Bureau of Reclamation. The committee was told on the record and off the record that they could function on the amount allowed, although I repeat they wanted this full amount recommended.

Let me remind the gentleman again, there is or was in January a backlog of \$135,000,000 in the Bureau of Reclamation. I stated the other day that in my judgment they would have difficulty in spending as much money as the committee has given them for the next year.

Our committee has been extremely liberal in the matter of appropriations for the Bureau of Reclamation.

Mr. JENSEN. Now, I hope that will clear up the situation so that it will be settled once and for all. You may all be sure as the members of the committee are entirely convinced that none of the projects will be detrimentally affected one iota because of the reduced funds as are here set out in the final request for the fiscal year 1947.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. MURDOCK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to clear up one thing. I want to call the attention of the committee to page 487 of the hearings, to the last paragraph of that letter. I take it that this is the same list to which the gentleman from Iowa [Mr. JENSEN] and the gentleman from Oklahoma [Mr. JOHNSON] just referred.

The committee itself in its report on page 17, about the middle of the page, says: "The Commissioner reluctantly has complied with the request of the committee," and I suppose the accompanying list is that revised list. I take it this is the list right here on page 487 of the hearings; and if you will turn to the hearings you will observe that there is a paragraph closing that letter following that list, and this is the way it reads:

The effect of any such drastic reduction, which would be contrary to the recommendations of the executive agencies, would be disastrous to the program for the development of the West, disruptive to the President's fiscal program, and to the Bureau of Reclamation's programs, and would jeopardize the Bureau's plans for compliance with the repayment requirements of the reclamation law inasmuch as all of these projects would be left to some smaller or great degree in a non-income-producing category until further congressional action repaired the damage. Such action would also wreck the integrated program of veterans' employment in reclamation construction and veterans' settlement upon the newly irrigated lands that the construction program as it was presented to you by the President would provide.

That is the paragraph I find following this revised list. This leaves me confused.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield.

Mr. JOHNSON of California. Is it not a fact that the President's program for the Central Valley project was \$25,000,000 and that they cut it to \$10,840,000?

Mr. MURDOCK. I do not have those exact amounts at hand but I take it that is in the revised list.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield.

Mr. JENSEN. The fact still remains that the Bureau of Reclamation did submit this list which starts on page 486 and continues on page 487. They did submit that list to us of the revised requests and said, in effect: "This is what we will actually need for the fiscal year 1947."

Now, then, I ask the gentleman as a Representative and a very able spokesman for his district, after that request



had been made for these funds which they said they would need could the gentleman have sat on that committee and voted to increase those funds? Would the gentleman have done that? I ask him.

Mr. MURDOCK. I simply want to give to this great cause of reclamation through the Bureau of Reclamation the amount of money it needs. I would not have given them more than they asked for, but understanding the significance of irrigation and reclamation to the entire country now in this postwar period, I would have been far more generous in certain amounts than the committee has been in this bill.

But here is what I want to know: Did the Commissioner give you a list and then follow it by saying this would be the construction program?

Mr. JOHNSON of Oklahoma. If the gentleman from Arizona will yield, I know that the projects as stated by the gentleman were reluctantly submitted, but I also know that they can operate on the amount allowed in the bill.

I again call attention to the fact that there is \$135,000,000 of a backlog in the Bureau of Reclamation; and I may say to those who are interested in Central Valley that \$34,000,000 of that fund is for Central Valley alone—unexpended. So the committee has been liberal with reference to reclamation. All of these reclamation projects could not have been constructed except for a fair, liberal-minded committee that made funds available as they were needed.

Permit me to add that if Members will get in touch with former Commissioner Harry Bashore, one of the greatest engineers this country has ever produced, and who has just retired, I am of the opinion he will join in saying this committee has been liberal in making funds available for the Bureau of Reclamation.

Mr. MURDOCK. Much has been said here today about the hard work of this subcommittee on this important bill and of the fair-mindedness of the individual members in cutting projects in their own districts, all of which shows their high sense of public duty and responsibility. I, too, recognize those facts concerning the committee members and wish to join with other colleagues in my praise for that spirit of fairness shown by them. It is evident that no member thought first of his own advantage but he has put first the economy measuring stick as the gage of his actions. Such an attitude deserves our respect, and if each move is wise, it deserves our unstinted praise.

I do respect their thought of economy, but I doubt the wisdom of their moves in certain cases in this bill. Feeling as I do the lack of wisdom in some of these moves, I shall want to offer amendments before we are through reading the bill. There are certain cases where they have failed to carry out the plain mandates of the law, where they have withheld funds they have no right to withhold, and exercised judgments as to amounts which had previously been determined by higher authority. These ought to be corrected and no doubt will be corrected.

This bill tends to "sell America short." What a wonderful opportunity we are

missing. But, of course, with the money we can save in this bill thus reduced there must be other and greater advantages apparent to the committee. I cannot see them. I am sure returned veterans will view with mixed emotions the savings effected herein for them.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. HILL. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the limited amounts proposed for the Bureau of Reclamation in the pending Interior appropriation bill are disappointing. The deep cuts made in the Budget estimates for construction, for salaries, and expenses, and for general investigations, will seriously affect the entire reclamation program for the development of the West.

While I am particularly interested in the Colorado-Big Thompson project in northeastern Colorado, I am also concerned about what happens to other reclamation developments in the West. The bill reduces the Budget estimates for reclamation from \$166,894,055 to \$72,271,475. Construction estimates for about 40 projects were cut from \$147,330,000 to \$62,348,040 or about 60 percent.

The general investigation estimate was reduced from \$11,000,000 to \$3,250,000—a slash that will seriously delay reports on potential irrigation developments. The estimate for salaries and expenses of the Bureau was reduced from \$5,500,000 to \$4,000,000, and this slash will undoubtedly cripple the Bureau's administrative activities.

The blow at the Colorado-Big Thompson project's irrigation and power transmission facilities is most serious. The \$15,000,000 recommended by the President for essential work on this project is reduced in the bill to \$6,504,070.

Let me tell you what this great project is:

The Colorado-Big Thompson project, located in north central Colorado, is one of the major multiple-purpose projects now being constructed by the Bureau of Reclamation. The project is being constructed primarily to transport surplus water on the western slope of the Rocky Mountains to the eastern slope providing supplemental irrigation water for some 615,000 acres of fertile lands on the plains east of the Rockies. The main features of power and water storage facilities consist of the Green Mountain Dam and power plant, Granby Dam and pumping plant, and Shadow Mountain Dam on the western slope. Green Mountain Dam and power plant have been completed and placed in operation. Shadow Mountain Dam is virtually complete and some work has been done on Granby Dam. A tunnel has been driven from Shadow Mountain Dam under the Continental Divide. An 18,000-horsepower pumping plant will be installed at Granby Dam for raising water to Shadow Mountain Dam from which it will flow through the tunnel to the east side. Here the water will pass through several power plants to storage reservoirs from which the water will be drawn as required for irrigation. Part of the power needed for operating the huge Granby pumps for raising western slope

water for diversion to the eastern slope through the tunnel will be furnished by Green Mountain power plant. However, additional power will be required. This power will be generated by the falling water in the power plants to be constructed on the east slope. The proposed 38-mile, 115-kilovolt transmission line from the east side over the Continental Divide is one of the vital and most important facilities needed to place the project in operation. Equally important is the proposed 35-mile, 115-kilovolt transmission line from Loveland to Greeley, Colo. This line is needed to supply power from the Kendrick project for operating the Granby pumps until the power plants on the eastern slope can be constructed. Without these two vital transmission lines it will be virtually impossible to furnish supplemental water for irrigating some 615,000 acres of fertile land for which purpose the project is being constructed. Approximately \$25,000,000 has been invested in project facilities which will be of little or no use until funds are provided for construction of these transmission lines and other features as programmed.

Considerable engineering study has been given to development of this project and if the benefit and repayment provisions are to be utilized, it will also be necessary to construct the 45-mile, 115-kilovolt Sterling, Colo.-Sidney, Nebr. transmission line. This will be an extension of the present system. The line is urgently needed to alleviate an existing critical power shortage situation in northeastern Colorado and southwestern Nebraska. The Bureau of Reclamation has received numerous requests from REA's, municipalities, and others in this region. One of the REA's, the Rural Electric Co., is completing plans for about 2,000 miles of distribution lines and needs additional power in 1947 to operate existing as well as proposed lines. This REA has a heavy irrigation pumping load which is increasing rapidly. Farms are being broken up into smaller units and some 2,000 additional families will be located in this area. Many of these are returning veterans and every effort must be made for providing low-cost electric power. Failure to provide this power will result in the installation of expensive, high-cost Diesel power units which will place a heavy burden on the farmers and veterans using electricity.

A 75-mile, 69-kilovolt transmission line from Kremmling to Oak Creek, Colo., is also urgently needed to supply power to an REA cooperative, two of the largest coal-mining companies of the State, and the Rio Grande Western Railroad. Construction of this line will eliminate the necessity for the Rio Grande Western Railroad Co. to replace its Diesel plant. The line would make hydro-generated electric power available for replacing fuel energy and thus conserve and utilize our natural resources to the fullest extent possible.

Power revenues derived from the sale of power generated on the project will repay practically all of the construction costs with the exception of \$25,000,000 to be repaid by the Northern Colorado Water Conservancy District. In order

to market surplus electrical energy generated on this project, it will be necessary to construct transmission lines as programed.

Repayment of project costs cannot be realized without the revenue from the sale of power on a firm basis. This can only be accomplished by providing the transmission facilities requested.

Mr. CURTIS. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, there is an item in this appropriation bill for the Bureau of Reclamation for \$10,000,000 for the Missouri River Basin. It is true that the committee handling this measure has a most difficult job to do. I want to thank them for their never-failing courtesy and the consideration that they have thus far shown. It is my understanding that even though the committee reduced the Budget request for funds for construction purposes for the Bureau of Reclamation in the Missouri River Basin, that it was not the intent to eliminate any projects. It is the intent of the committee, and I am sure of the Congress, to go on with that very important construction work of irrigation projects.

The Missouri River Basin is where the West and the Middle West meet. It has had very little attention paid to it from the standpoint of developing its water resources. In that area you will find the territory that comprised the Dust Bowl. Prolonged and severe drought is a real problem out there. When it comes it affects not only that area but all the United States. It is in the interests of economy and good government that the water that we do have in our streams be utilized for the improvement of agriculture in that great territory.

I am especially interested in that part of the Missouri River Basin program that affects the district which I have the honor to represent. I refer primarily to the Republican River and its tributaries. On many occasions I have told the Congress of the needs of that valley. It was in 1935 when we had a terrific flood that took the lives of 110 of our people. In that same territory we have witnessed severe droughts that have lasted for many years. There is some irrigation out there, and we know what it will do. It is the plan of the Bureau of Reclamation to soon start construction at a number of points on the Republican River. I would mention particularly a so-called Frenchman-Cambridge project, the Bostwick project, the Wray project, as well as continued studies of other areas of the Republican Basin. If the Republican River was in an area of plenty of rainfall, the taxpayers of America would be paying for flood control as a 100-percent subsidy. We need that water on our soil, consequently considerable of the work in the Republican River, as well as throughout the entire Missouri River Basin, is handled by the Bureau of Reclamation. Water is held back to prevent flood damage and then in turn it is used to cause our crops to grow. This means that great sums of these expenditures are reimbursable. The farmers will pay for it.

I am extremely disappointed that the estimates of the Bureau of the Budget

have been reduced from \$23,000,000 to \$10,000,000 in this bill. I say that because I believe that it is an extravagant move. I will explain why I say that. If in the building of a given project 10 years are used to do what could be done in 3, you have 10 years of overhead. In addition to the increased overhead, the builders of that project are handicapped in that they cannot let the most economical contract. Thus, you add greatly to the cost of the project. This means a great deal, not only to the Treasury of the United States, but to the farmers and others who will be repaying considerable of this money to the Treasury.

There is another reason why prolonging the time for construction of a project is wasteful and expensive. If you take 10 years to build what you could build in 3 years, the people are denied the fruits of that project for 7 years. We must have irrigation for a balanced economy and a self-sustaining economy in many portions of our country. During the drought years, in the areas where there was no irrigation, the Federal Government spent millions and millions of dollars. It was relief money and did not solve anything. If we take 10 years to build what we ought to build in 3, we are going to have to spend millions more for various types of relief and rehabilitation. Now, on the other side of the ledger, I wish to point out that the income from irrigated land is many times greater in irrigated sections as compared with dryland farming in the same area. The amount collected in taxes by the Federal Government from the farmers alone is a tremendous sum. The farmers spend this money for supplies, machinery, and all sorts of capital goods. This money is placed in the channels of trade, and everyone that touches it pays more taxes. These projects are worth while—I am convinced that they are—and the Treasury of the United States, which advanced the money, and the farmers, who in turn will repay it, are entitled to have them built at the most economical rate.

I sincerely hope that by the time this bill is finally submitted to the President of the United States for his signature that this cut for the Bureau of Reclamation for the Missouri River Basin is restored. It is just and it is right and it is fair. It is in the interest of sound economy. If I did not think so I would not be here advocating it. As it now stands, the \$10,000,000 that is going to be appropriated for this great area is less than one-seventh what the Government of the United States spends for propaganda purposes in 1 year. It will pay a dividend manifold, and I shall do everything I can to get this amount increased.

The work of the Geological Survey is tied into the work of the Bureau of Reclamation. They, too, should have sufficient funds to do an economical job and at the same time protect the Federal Treasury from a wasteful development of our natural resources.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. CURTIS. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Chairman, may I say a word in connection with the carry-over of funds, this \$135,000,000. A very, very small portion of that can be spent in the Missouri River Basin. That represents a backlog of funds for many years prior to the war. The work in the Missouri River Basin was not authorized until 1944. I contend that from the standpoint of carry-over funds and from the standpoint of new money that the Missouri River Basin has not received a just share of the amount that is recommended by the committee. I sincerely hope that that fact will be taken into account.

The Missouri River Basin represents one-sixth of the area of the United States. There are seven States in it. The Bureau of Reclamation only operates in 17 States. I submit that the very small fractional part of the carry-over funds that can come to the Missouri River Basin make it all out of proportion to the rest of the West, and the further fact that the rest of the West has had its major construction program before this, and the Missouri River Basin has very few projects to date. My district has never had \$1 of Reclamation Bureau construction funds spent therein. The need is very great, however.

Mr. HAVENNER. Mr. Chairman, I move to strike out the last three words and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAVENNER. Mr. Chairman, year after year, during the three sessions of my membership in Congress, I have witnessed a recurrence of the struggle to obtain adequate appropriations for the completion of the great Central Valley project of California. Always there has been powerful opposition in the Appropriations Committee to allowance of the funds which the Interior Department and a very large number of people in my State believed to be essential to bring this project to completion at the earliest possible date.

Mr. Chairman, I realize that practice of a sound policy of economy in the affairs of Government is of great importance to the national welfare. For a number of years I served as chairman of the legislative committee which prepared the annual budget and fixed the annual tax rate for the city and county of San Francisco. During all that time I had uppermost in my mind the importance of sound economy.

In subsequent years I have remembered with satisfaction the fact that the San Francisco Board of Supervisors, when I was a member of its finance committee, succeeded in making the largest reduction in the annual tax rate in the history of my city. However, Mr. Chairman, it was the fixed policy of that board of supervisors to allow adequate appropriations for the prompt completion of self-liquidating public projects which we



knew would contribute to the economic and social welfare of our city and earn a profit for the benefit of our taxpayers. So, while I am in sympathy with the desire of the Appropriations Committee of this House to practice economy in the making of the National Budget, I am utterly unable to understand the reasoning behind the persistent effort, year after year, to delay the completion of projects like Central Valley which will, when completed, become self-liquidating and earn a substantial annual return for the relief of the taxpayers of this Nation.

This is not sound economy, Mr. Chairman. Indeed, such a policy delays the time when the American taxpayers can begin to enjoy the full financial benefits of the great Central Valley project. In the meantime the taxpayers of the Nation are compelled to pay the carrying charges on this great unfinished project without any compensating return for their heavy expenditures. The soundest economy, Mr. Chairman, which this Congress can employ with respect to the Central Valley project is to make the necessary appropriations to hasten its completion and thereby speed the day when the American taxpayer can begin to get back a return on the huge investment which he has already made in this great undertaking.

The Government now has a financial investment in the Central Valley project of approximately \$170,000,000, and I venture to make the assertion without any fear of contradiction that the Government is not going to abandon that project, so it would be sound economy to hasten its completion.

During the war, Mr. Chairman, there was an unavoidable reason for delay in the construction of the Central Valley project. It was impossible to obtain the materials and labor required to carry on construction work during the period of national emergency. However, that period of emergency is now past, and no valid reason for delay now exists.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. HAVENNER. I yield to the gentleman from California.

Mr. JOHNSON of California. Is it not a fact that if we get this project finished so we can begin getting revenues we will get what might be called a double-barrelled shotgun in money back. We save the interest on our money and we get these replenishments, one-fortieth each year, of the total cost of the project.

Mr. HAVENNER. The gentleman is correct. That is the point I was trying to make.

I shall support the amendments offered by my colleague from California and I earnestly hope that a majority of the Members of this House will likewise support his efforts to speed up the completion of Central Valley and to hasten the day when the people of California and the taxpayers of the Nation can enjoy the full benefits of that great public investment.

Mr. NORRELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in reply to the gentleman from California I must say that there has never been a time, I believe,

since the Central Valley project was adopted by the Congress, when they did not have a surplus of funds. Any delay that has been occasioned in the construction of that great project cannot and should not be chargeable to either this committee or to the Congress. The fact that they have over \$34,000,000 of unexpended funds is evidence that that statement is true.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from California.

Mr. JOHNSON of California. How low will that fund be on June 30, 1946?

Mr. NORRELL. At the rate of expenditure now, when materials are so hard to get, I doubt that a very substantial part of it will be used. They are bound to have a very substantial portion of that on June 30.

Mr. JOHNSON of California. Is all that backlog of \$34,000,000 allocated to specific items?

Mr. NORRELL. That is all allocated to specific items.

Mr. JOHNSON of California. In other words, the Secretary would have no discretion in the expenditure of that money, he would have to carry out the specific allocations?

Mr. NORRELL. I think it is the duty of this Congress to tell the Department of the Interior where the money shall be spent.

Mr. JOHNSON of California. I agree with the gentleman.

Mr. NORRELL. All the money that has heretofore been appropriated has been allocated, since the 1944 bill.

Mr. JOHNSON of California. Has any provision been made there for the expenditure of money for transmission lines or stand-by plants?

Mr. NORRELL. There is money now for transmission lines that have not been constructed, as the gentleman knows and can determine by referring to the hearings.

Mr. JOHNSON of California. Does the gentleman know the amount in that \$34,000,000 that might be used for transmission lines?

Mr. NORRELL. We do not have that exact figure at this time, I am sorry to say.

Mr. MILLER of Nebraska. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Chairman, on page 46 of H. R. 6335 you will find the Missouri River Basin appropriation. This appropriation of \$10,312,685, which the committee suggests, is a reduction, from the President's request for the Missouri River Basin project, of more than \$13,000,000.

The Missouri Basin studies are new. There is a great need for proceeding with investigations on the Niobrara, Loup, and North Platte Rivers, and this is a part of the Missouri Basin. Nebraska has been far behind in the development of irrigation and the use of her available

water supply. There is a number of important units in the Missouri Basin development, on which investigations and planning are under way or proposed for the coming year. This includes reservoirs and land which can be irrigated in central Nebraska and in the two river basins. There are plans for several reservoirs on the Loup River, which, when finally completed, would have something over one and a half million acre-feet of water, which could be used to irrigate many thousands of acres of land. In order to insure the development and for the construction of these projects, funds are essential now for continued planning of the ultimate Missouri Basin project. If the reduction is sustained, development of these projects will be retarded.

There is also a great need for further studies and work on the Niobrara River. This is a valley which is critically in need of full development, and the Budget recommendation included funds for that purpose. I point this out, Mr. Chairman, because this is a new development, and the need for proceeding at once with a control of water used for irrigation and electrical energy is urgent. Our Nation and the world will be in need of food in increased amounts for the next several years. The placing of land under irrigation produces food. The revenue returned to the Government can hardly be estimated in dollars and cents. The development, under irrigation, for the farms and communities is of tremendous value. Most of these areas would remain a desert and unproductive, unless water is carefully used and the land made to produce. I can remember parts of the North Platte Valley when it was a desert—barren and unproductive. Today, by the careful use of water, we have a little Nile, with productive land, and well-populated and growing communities.

I note also that the appropriation fails to provide for general investigation and administrative funds; that these funds have been cut by \$1,500,000. It seems to me that the committee might be "penny wise and pound foolish" in not providing sufficient funds for administrative purposes. I do realize that there has been some severe criticism directed at the Reclamation Bureau and the Interior Department. Like any large governmental agency, they have probably been wasteful with their funds. They do need to be carefully checked, and the Congress should be concerned about getting as much value out of the tax dollar as is humanly possible. There is a place to stop, however, and in my humble judgment, this portion of the bill has been cut beyond the reasonable limits.

I note also, Mr. Chairman, that the power line in western Nebraska and Colorado has been removed from the bill. This line was a connection between the Colorado-Big Thompson power plants and those of the Kendrick and North Platte projects in Nebraska and Wyoming. These lines, when constructed, will serve thousands of farmers. They are of major importance from the standpoint of good operation and dependable service to the people. I realize that the committee has felt that there has been

too much emphasis placed on power in certain sections of this bill, but it does seem to me that the additional money spent on bringing electricity to these areas will again repay our Government. The farmers receiving electrical current under this project, or under REA, have always paid back to the Government the money, and with interest. I am amazed that some members of this committee will seemingly approve billions of dollars of money in loans to foreign countries which will probably never be repaid, and yet they deny the farmers of a large section of the West a half million dollars which, in turn, will provide them with all of the conveniences which come from electrical current.

The administration and supervision of such important projects as those under the Missouri Valley and others throughout the West should not be jeopardized by a false economy that would endanger the successful construction and proper operation and management of such works. The Department must have experienced and trained people to properly carry out the desires of this Congress. They cannot do this if we make a big reduction in the administrative funds for this purpose.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the work of this particular appropriation subcommittee can be looked at over-all and I think every fair-minded student of appropriations by the Congress will have to say that this committee has done a remarkable and outstanding job. They are recommending a total of appropriations of about \$174,000,000, which represents a reduction of approximately \$172,000,000 from the Budget requests. If other subcommittees of the Congress were in a position to make similar reductions, we would make rapid progress toward a balancing of the Federal Budget.

When one looks at the task which this particular subcommittee assigned to itself, namely, that of carefully scrutinizing appropriations for all the various categories which come within the purview of the Interior bill, one would have to say that they have not played favorites. They cut in the Bureau of Mines. They cut in the Geological Survey. They cut the Office of Indian Affairs and the Secretary's office as well. They cut the Bureau of Reclamation. When one compares their work as a whole, he will have to say that this committee really conscientiously applied themselves to a careful study of the whole field of estimates before them and made cuts with reason or at least with understandable explanation all along the line.

So, I am not going to rise here in this discussion of the Bureau of Reclamation and attempt to castigate the committee in any degree whatsoever. I will say here, as I have said at one other point in the debate on the bill, that I feel there are items where a further understanding of particular problems would have resulted in different figures being recommended. I recognize, however, that when you say to the Commissioner of Reclamation, "We are proposing to cut this bill ap-

proximately in two; now, you show us a table to see how that kind of principle would apply throughout your budget estimates," when the Commissioner comes back with some figures it would leave the committee in a difficult position if it were to increase those figures over those figures that were in the Commissioner's letter.

So I am not here to criticize the committee. But I am here to suggest that as this bill proceeds in its course through the Congress and as further representations are made before the committee in the other body, if they see fit to make some increases in this item for reclamation and perhaps other items in the bill, I hope the subcommittee will give careful consideration to the additional evidence supporting those increases.

As for the Missouri River Basin item, in which I am particularly interested, it was not treated in any degree more harshly than other Bureau of Reclamation items. The total request for the Bureau of Reclamation was \$147,130,000. The estimate proposed under the formula responded to by the Commissioner's letter suggested a total appropriation of \$63,883,000, that is a reduction from \$147,000,000 to \$63,000,000. The individual item for the Missouri River Basin was requested in the amount of \$23,783,000 and was reduced to \$10,312,000. Therefore, approximately the same treatment was accorded the Missouri River item as the other items.

It must be remembered, however, that the Missouri River Basin program is a dual program, involving the Army engineers as well as the Bureau of Reclamation. It would be desirable, it seems to me, that the programs should proceed in a parallel fashion so that the work of the Army engineers and the construction of the reservoirs on the main stem would be matched by comparable appropriations for the Bureau of Reclamation to carry along the utilization of the water at approximately the same rate, the Bureau of Reclamation having the distribution of power generated in the dam and the utilization of the water for consumptive uses, principally in the form of irrigation.

The Department of the Interior began work on the authorized plan of development for the Missouri Basin last year. At the beginning of the fiscal year the work was limited to carrying on detailed planning and preparing for construction. Soon after the start of the fiscal year 1946, the global wars were ended and resumption of normal peacetime activities on a full scale was in order. Recognizing this, Congress provided additional funds in the First Deficiency Act of 1946 to the Department of the Interior to carry on such a program. The total funds provided in fiscal year 1946 through the regular appropriation act and the First Deficiency Act amounted to \$13,980,300, which is three and one-half million larger than the \$10,312,000 now proposed for fiscal 1947.

These funds were for work by the Bureau of Reclamation in preparing for construction on 11 units in the authorized initial stage of the development and continuing planning activities on

the ultimate plan for the basin. The funds also provided for starting construction on three of the initial stage units as well as a transmission line from Williston, N. Dak., to the Garrison Dam site.

One of the units on which the construction is soon to be under way is the Angostura irrigation project in South Dakota, in which I have been interested for many years. The unit will consist in its initial stage of a dam and reservoir and a system of canals and distributaries for 16,180 acres of arable land. Work on the Angostura unit was started before the war, but before much could be accomplished, work was stopped. The Budget recommendation of \$23,783,600 for 1947 includes funds for a normal construction program on the Angostura unit. The reduction of the Missouri Basin item to \$10,312,685 as it now stands in the bill retards the rate of progress on the whole basin program which includes Angostura. I do not say this unappreciatively, however, for we have worked on Angostura so long we are glad to see it started.

South Dakota needs all of the irrigation that can be developed. Unfortunately there is more land needing to be irrigated than there is water available. Wise planning for the use of the water demands that all possibilities be investigated. The Missouri Basin item includes an allowance for further investigations to determine future irrigation possibilities. These investigations include water supply studies, land classification, and determination of repayment ability, to name some of the more important ones. South Dakota has to share in the Missouri Basin item with six other States. The budget recommended by the President included funds for a well-balanced program of investigations. The bill as it now stands not only limits the construction program but also delays the additional planning studies that must be carried on notably on the Oahe unit.

The ultimate Missouri Basin plan also provides for the construction of some 20 power plants at which will be developed approximately five and one-half billion kilowatt-hours of electric energy annually. An integrated backbone transmission line grid connecting these plants is an essential part of the plan. At the present time, certain parts of the Missouri Basin have the lowest per capita use of power in the Nation today. The reason for so little use of power is simply because there is not now any adequate source of supply. Those people are now looking to the present plan for the development of the Missouri Basin, which includes a transmission line system to all parts of the basin, so they can enjoy the labor-saving benefits of electric power.

So, I venture to hope that when these reclamation items receive further consideration the conferees will give careful and sympathetic consideration to the increases that may be proposed.

Mr. ROBINSON of Utah. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time so that I may make an attempt to get the situation straight because I have an amendment which I would very likely withdraw if there is as much feeling in the committee as apparently exists, and



if there is so much anxiety on the part of the committee to do the right thing about these reclamation projects. I look at the record, however, and I find in the record that the Bureau of Reclamation came before this committee and submitted a project that is in my district and estimated that in order to proceed orderly and logically with that project they would require \$3,102,000 during the coming year. I know from my own experience and from what I know of that project that unless they get that money the project will not proceed in a logical and economical manner, and it will not only not reduce the expense to the Government but it will cost the Government at least \$500,000, because it will delay the project a year. Every year that the project is delayed it costs the Government approximately \$500,000, because it is a \$20,000,000 project and as soon as it is finished we begin to pay \$500,000 a year.

The project has the security of a large portion of Utah behind it. There is no question about the security. The only question is in finishing it. It is absolutely essential to the people there, due to the droughts and due to the unemployment that is coming on at the present time, to proceed with it as fast as we can.

On page 220 of this record the Bureau came before this committee and showed conclusively to the committee, apparently from the record, that \$1,302,000 was needed. Then later, for some reason, and that is what I am trying to get at, this committee wrote to the Director of the Bureau of the Budget for some information as to what apparently could be cut, and the answer, under date of March 13, reads as follows, and I want you to notice what the Commissioner says.

In a letter from Commissioner Straus to the gentleman from Oklahoma, Hon. JED JOHNSON, under date of March 13, 1946, I quote as follows:

In an endeavor to be responsive to your inquiry of March 11 as to the result of action by your committee to cut in half the President's Budget submissions for the year 1947 for reclamation work, a proposal for action which, of course, I cannot and do not recommend—this communication goes forward.

Now, from that I take it that the committee wrote to the Director and wanted him to give them what could be done if they were required to cut the budget in half. If that is correct, then he goes on and says:

If it is required of us to do that, here is what I suggest:

But he says:

The effect of any such drastic reduction, which would be contrary to the recommendations of the executive agencies, would be disastrous to the program for the development of the West, disruptive to the President's fiscal program, and to the Bureau of Reclamation's programs, and would jeopardize the Bureau's plans for compliance with the repayment requirements of the reclamation law inasmuch as all of these projects would be left to some smaller or great degree in a non-income-producing category until further congressional action repaired the damage. Such action would also wreck the integrated program of veterans' employment

in reclamation construction and veterans' settlement upon the newly irrigated lands that the construction program as it was presented to you by the President would provide.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. NORRELL. The gentleman is talking about the Provo project?

Mr. ROBINSON of Utah. That is correct.

Mr. NORRELL. Does the gentleman understand that as of January 1, 1946, there was a balance appropriated of unused funds of \$2,262,000?

Mr. ROBINSON of Utah. No. The record shows there was a balance of \$110,000, but that balance does not mean anything, for this reason: The balance, under the record presented to you here, is \$110,000.

Mr. NORRELL. I think the gentleman's figures are not correct.

Mr. ROBINSON of Utah. They are not my figures. They are your figures. It is your record on page 220, and it shows \$110,000.

Mr. NORRELL. Our records show a carry-over as of that date of \$2,262,631.

Mr. ROBINSON of Utah. I think I understand what is in the gentleman's mind. That means that contracts have been entered into that will absorb all of that, so that by June 1 there will not be anything left.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. ROBINSON of Utah. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. NORRELL. There is an unencumbered balance in the Bureau of Reclamation on that project of \$1,860,942.

Mr. ROBINSON of Utah. Now we have three figures. Which are we to take? The point is that the project consists of several different items. The Bureau will not contract any of these different projects until it gets the money on hand to contract for them. It has told you that in order to make those contracts and to proceed expeditiously it needs \$3,000,000. It is not costing the Government anything for you to say that if they need \$3,000,000 they can have it. That does not cost anything.

It is unfair, I think, for this committee to say that it is saving so much money when all it is doing is postponing a project that is under contract and well along toward completion. They say they need \$3,000,000 for it next year. You allow them but \$1,000,000 and then say you have saved \$2,000,000. I cannot see the logic of that kind of reasoning. That only adds to the expense, for, if this project is proceeded with properly, it will be finished in 2 years and commence to pay back. If, however, the committee's plan is followed, it will not be completed for 5 years and will not

start to pay back for 5 years and will cost the Government an additional \$1,500,000. That is how it seems to me and I cannot see any other logic to it. It is not like a proposition that was not secure or that was all in one piece. The Bureau of Reclamation cannot contract for the work in the various phases of this project until they have the money ready with which to enter into contracts.

The CHAIRMAN. The time of the gentleman from Utah has again expired.

Mr. ANGELL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

NEED FOR MORE BASIC STUDIES IN FISH AND WILDLIFE SERVICE

Mr. ANGELL. Mr. Chairman, I note in checking the action of the Appropriations Committee on the Fish and Wildlife Service appropriations that they have again been very saving on funds for securing basic information. For biological investigations the Bureau of the Budget recommended \$355,600, yet the committee voted out \$237,975, only a slight increase over present funds. For investigations respecting food fishes the Bureau of the Budget recommended \$765,000 and the committee granted \$659,440.

Dr. Gabrielson, former Director of the Service, has often told me that the research work of the Service is basic to intelligent management. They need to know more about fish and animal populations each year, about disease, predators, and foods, about crippling losses in wildlife, winter death rates, and all of the things that go to make up this thing they call wildlife management. In some places there is conflict between livestock and deer and elk that needs to be studied by trained biologists. In other spots they need to learn more about fish populations, the effects of stocking streams, how to improve fishing conditions, and so forth. All of these things are essential so the State and Federal people who are hired to carry out the jobs can do so intelligently.

The funds for this sort of work in both the fish and wildlife fields have been cut to the bone during the war. Young men were in this field when war came and large numbers went into the armed forces. Now they are returning to the jobs for which they were trained and there are not nearly enough funds in this bill to put them back to work. It seems a shame to force these well-trained biologists into other lines of work when there are so few of them in the country and when the need in this particular field is so great.

I hope these funds will be restored.

By unanimous consent, the pro forma amendments were withdrawn.

The Clerk read as follows:

Minidoka project, Idaho, \$433,605, of which \$100,000 shall be available for surveys and preconstruction work in connection with the North Side pumping division.

Mr. FERNANDEZ. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Interior Department appropriation bill for this year includes only \$3,250,000 for the Bureau of Reclamation for general investigations, which is \$7,750,000 less than the Budget estimate. This drastic reduction jeopardizes the success of the Bureau's planning program.

The gentleman from Oklahoma, chairman of the subcommittee, said during general debate that there were certain projects in his State which would be cut along with the rest of our projects. But let us remember that in his State and other States some of these programs have already been investigated, and the investigations are about completed, which I am sure he would verify if he had not left the floor a minute ago. Unfortunately, that is not true in New Mexico and some other States, where investigations are not too far along because of delay occasioned by the war. The reduction of this amount will jeopardize those investigations at the very time when we should go forward with them in order that they may be at such point of completion that if there is to be any unemployment we may then be able to proceed with the construction work to provide employment for veterans and returning war workers.

It must also be remembered that these investigations cannot be carried on piecemeal—the water users above and below any proposed dam must know how and to what extent their rights will be affected. The State authorities who must also pass on final investigation must know what the effect of any proposed project will be as regards other projects on the stream. They are charged with the duty of speaking, or forever keeping silent, when a project is declared feasible and authorized for construction. Unless these investigations are completed on the whole stream, the entire program is disrupted. Some consideration should be given to this aspect of the matter. Once the plans and surveys are made and approved, then projects may be picked up one at a time as our economy permits, but if we cut this appropriation, we do incalculable harm to those States, especially in the far West, where surveys have not been completed.

I am satisfied all of us who have given the matter any consideration are satisfied and convinced this item should be increased, although we will offer no amendment at this time for obvious reasons; however, I hope that when the conferees meet they will see fit to agree to some increase for this appropriation so that these investigations along the Rio Grande and other streams may be completed.

The Bureau's over-all program is aimed at an orderly development of the land and water resources of the West. But this objective cannot be attained without sound planning which, in turn, depends on adequate appropriations of general investigation funds.

The limited amounts of water supply available in the arid and semi-arid West makes comprehensive basin and regional planning essential to the selection of potential reclamation projects for consid-

eration for detailed investigation. Adequate planning for optimum use of the water and land resources can be attained only through this comprehensive basin approach. The reduction in planning funds will slow down the basin studies of the Bureau of Reclamation, many of which are now nearing completion; as, for example, those for the Rio Grande Basin and Arkansas River Basin, all of which cover large areas in my State, and for the Columbia River Basin in the Northwest, and the Bonneville Basin in the intermountain region.

If the proposed reduction in general investigation funds stands, the progress on the completion of individual project investigations will be retarded to an even greater extent than the basin studies, because the basin investigations logically precede the project investigations. It is imperative that the investigations for certain projects which will provide for the supply of supplemental water for, or the rehabilitation of, existing irrigation developments, as for example, the Middle Rio Grande, Vermejo, Fort Sumner, and Carlsbad projects in New Mexico, be completed promptly to alleviate serious water shortages and other water utilization problems. The Southwest has experienced severe drought periods, one of which occurred in the 1930's, and even now is facing a severe water shortage because of deficient rainfall. Future drought periods can be expected to occur periodically in both the arid and semi-arid regions. Droughts in the past have assumed very serious proportions and there is no assurance that droughts in the future may not be even more severe. The only hope of remedying this is through expansion of Federal reclamation developments which requires, first of all, sound planning.

Continuation of an adequate and orderly program of investigations of other new projects which will provide for the irrigation of new lands or the production of low-cost electrical power for farm, home, and industry is equally desirable, not only to provide economic opportunities for returning war veterans and surplus war workers but also to insure the economic future of the 17 Western States. Examples of this type of potential project in my State are the San Juan-Chama, Estancia Valley, Mora, and South San Juan projects. There are many other possibilities in the other 16 Western States.

In the recent war years the Bureau of Reclamation was unable to make ready a large shelf of potential reclamation projects for which the investigations have been completed so that the projects are ready for construction. Its planning program could make little progress under wartime restrictions. Consequently, it is highly desirable that ample funds be provided for general investigations at this time, in order that sound plans can be made for the future development of the vital water resources of the entire West.

In conclusion, I would like to emphasize that the successful production of crops in the arid regions is possible only through irrigation, and thus the present and future prosperity of the West is in a very large measure dependent directly

on the full utilization of its limited water resources. Therefore, the project-planning program of the Bureau of Reclamation, which is aimed at the formulation of plans for development and use of these water resources, should not be allowed to lag because of deficient appropriations of funds by the Congress, and before the bill becomes law I trust that the full amount of \$11,000,000 for general investigations will be restored.

The Clerk read as follows:

Deschutes project, Oregon, \$563,685.

Mr. STOCKMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STOCKMAN: On page 40, line 8, strike out "\$563,685" and insert "\$1,300,000."

Mr. STOCKMAN. Mr. Chairman, this amendment is designed to restore the Budget estimate of \$1,300,000 for the continuance of construction work on the Deschutes project in Oregon. The committee, in the bill, reduced the amount for this project to \$563,685.

The 1947 work planned through the funds proposed in the Budget estimate is principally for completion of the canal and lateral systems. The canal system is now nearing completion and the laterals are necessary to distribute the water to the land.

On May 18 the first irrigation water will be turned on to serve 23,000 acres of the Deschutes project. Approximately 300 newly irrigated farms will go into production this year as a result of this important event, which will be celebrated at Madras, Oreg., on the date I mentioned. I congratulate the Jefferson water conservancy district, which is the contracting agency for the repayment of the construction charges on the Deschutes project, and the new settlers who are taking up the land that will be irrigated by this system.

By the end of this fiscal year approximately \$6,000,000 will have been spent on the construction of the Deschutes project which, when completed, will irrigate a total of 50,000 acres of productive land in central Oregon. Including the Budget estimate of \$1,300,000, more than \$2,000,000 will be required to complete the project. The program calls for bringing water to the remainder of the irrigated land in 1947, provided the full amount of the funds for construction is made available. More than 300 additional farm families will be able to settle on the lands of the Deschutes project in 1947 or as soon as the project is completed.

A large number of these new settlers are veterans of World War II and they are anxious to get on to irrigated land so that they may turn to useful peacetime pursuits. I urge that the full amount of the Budget estimate be restored as provided for in this amendment.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Oregon.

Mr. Chairman, it is difficult to believe that the gentleman is really serious in asking the committee to pick out one item and give the full amount of the



Budget estimate when there are many other deserving projects before us. The committee made a fair cut. It might have cut deeper than some Members felt some of these projects should be cut, but, as I said in my opening statement, a project in Oklahoma was cut much deeper than many of my friends back there felt it ought to be cut.

All of these projects are desirable. We could spend twice as much money as is allowed and do it profitably, but the question is, considering the \$279,000,000,000 deficit, are we going to try to make some real cuts in this bill or are we going to select one project and give it the full amount requested without giving all other projects the same? If we do that, then let us be consistent and go back and increase all of the projects and give everybody all they want. I am sure you will agree that no other procedure would be fair to other Members of this House. I have asked my colleague in whose district the project in Oklahoma is located not to offer an amendment to increase it. So we are not playing favorites. The question is, Do we really wish to economize? So that is the situation. The committee has endeavored after 6 or 7 weeks of hearings to do a good job. The committee is convinced that no injustice has been done. Your project may not move up as far as you would like to move it, but considering the very critical shortage of material and the demand for housing for veterans which all of us believe should have preference, the committee feels it has been fair and reasonable in these appropriations.

I hope that the amendment will be voted down.

Mr. ROBINSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Utah.

Mr. ROBINSON of Utah. Has the committee made any distinction between projects that are under contract and new projects?

Mr. JOHNSON of Oklahoma. The committee submitted that matter heretofore suggested to the Bureau of Reclamation. We asked them to take these things into consideration and report back to the committee. The Bureau of Reclamation did that thing, as I stated, with extreme reluctance. I do not want to say here or leave the impression that the Bureau of Reclamation wanted these cuts to be made. That is our responsibility and the committee gladly accepts it, but I will say to the gentleman that the Bureau of Reclamation made these lists of proposed reductions and I believe it tried to do so in a fair manner, and we are hewing to the line. Again I assure my good friend that we are trying to be fair to all concerned.

Mr. ROBINSON of Utah. That is what I am trying to get at. Did they make these lists because you requested them?

Mr. JOHNSON of Oklahoma. Certainly, because we requested them. No one pretends to say that the Bureau voluntarily asked for the revised list. Make no mistake about it, the Bureau did not do it voluntarily. But they made up the list and we are convinced can operate nicely on the funds allowed.

Mr. ROBINSON of Utah. Wait until I finish my question and maybe the gentleman's answer will be the same. You requested them to reduce the amount by one-half?

Mr. JOHNSON of Oklahoma. That is correct.

Mr. ROBINSON of Utah. That is correct, is it not?

Mr. JOHNSON of Utah. That is correct, and they did it. They called in their experts. All are reduced more than one-half. It so happens that the project in Oklahoma was cut considerably more than 50 percent, and I did not object to it.

Mr. ROBINSON of Utah. If the gentleman will yield further, if you request to cut a project such as I have one-half, and they could finish it next year by completing the other half, you would simply cost the Government money by carrying it over one more year, would you not?

Mr. JOHNSON of Oklahoma. Of course, every Member here thinks, in fact, he knows, that his project is the best project in all the United States. That is understandable. That is only natural. Why the gentleman from Minnesota tells me that his project is by all odds the best in the United States. Yet the gentleman from Montana says his is the best. Every Member from California knows that Central Valley is the best. The same is true of many others. Several Members from other States have come to me and said, "That is my project. Please do not cut my project." All seem to join in a mighty chorus with:

Congress, Congress, don't slash me,  
Slash that guy behind the tree.

Over and over we hear: "I am for economy, but, but, but"—and some Members, I regret to say, want to "but" this bill clear into kingdom come. Make all the stump speeches you want to make. This committee, however, stands by the bill. It is fair. It is reasonable. It is in the interest of economy. There is or was some weeks ago a \$135,000,000 backlog for these projects. The Bureau of Reclamation is getting much more money than it had in the past. Again I say we have been liberal with these projects, and I hope you will vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. STOCKMAN].

The amendment was rejected.

Mr. FERNANDEZ. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the action taken in drastically reducing the Interior Department's Budget estimate, of course, is disheartening. The amounts allowed in this bill will seriously impair development of the vast natural resources in the West. It seems logical to me, and I believe each of you will agree, that our natural resources should be utilized to the fullest possible extent.

The coal crisis has brought forcibly to our attention the importance of having large quantities of hydrogenerated electrical power available. This cannot be made available in every section of the United States, but it should be developed wherever possible. The drastic limita-

tions being imposed on Interior Department's Budget estimate is a serious matter to all the people of this great country. Every acre of land which can be placed in agricultural production must be developed to alleviate the critical food situation. Every kilowatt of power that can be economically developed should be made available for the people's use. This can only be accomplished by following an orderly program.

The Bureau of Reclamation has been seriously handicapped in completing the Tucumcari and Rio Grande projects in my State, the State of New Mexico. Its construction estimate for virtually completing the Tucumcari project in fiscal year 1947 is \$1,738,000. The committee has only allowed \$755,605. Similarly on the Rio Grande project \$831,000 was requested. This has been reduced to \$360,675. The significance of this proposed cut is that it will take just twice as long to finish these projects.

I would like to give you a brief description of them:

The Tucumcari project, located at Tucumcari, N. Mex., was authorized in 1933 and construction was initiated with WPA labor. Early in the war the War Production Board ordered all construction work on the project to cease. Subsequently, in April 1944, the War Production Board permitted the resumption of construction activities on a limited basis in order that the project might be of assistance to the war food program.

Facilities are being provided for irrigating some 45,000 acres of some of New Mexico's most fertile lands. Water is stored in Conchas Dam for use on this project.

Funds available during 1946 amount to \$4,568,216. All but 10 miles of the Conchas Canal and most of the work on the Hudson Canal will be completed with these funds. Laterals for supplying irrigation water to a total of 11,116 acres of land are being completed. Laterals for an additional 16,140 acres of land are under contract and will be partially completed this year. Surveys for the remaining features of the project are being continued.

Only \$1,738,000 is being requested for work to be done in 1947. These funds are required for construction of laterals to supply water to the remaining 17,700 acres of project lands. Construction of the drainage system should also be started. This work may extend into 1948.

A survey of water conditions in this section indicates the possibility of severe drought conditions which may equal the dry year experienced in 1934. Unless water can be supplied heavy crop losses will be incurred. In view of the critical world food situation it is expedient that the funds be furnished now so that the project can be completed and placed in operation at the earliest possible date.

Practically all construction work on this project consists of building canals which in no way will conflict with the re-conversion program. The project will materially assist in the production of additional agricultural products. Every possible effort must be made to complete this project.

The Rio Grande project, located on the Rio Grande in south-central New

Mexico, is a multiple-purpose project. The power and storage system consists of Elephant Butte Dam and power plant and the Caballo Reservoir. Some 255 miles of project transmission lines have been constructed for delivering Elephant Butte power to various load centers. The present 115-kilovolt transmission line from Las Cruces to Alamogordo, N. Mex., is being extended to Hollywood, N. Mex., to alleviate a critical power storage situation in that area. Improvements and additions are also being made at the Elephant Butte Dam and power plant. A 115-kilovolt transmission line is being constructed from Elephant Butte Dam to Albuquerque, N. Mex.

The only funds now being requested—\$831,800—are for completion of the line to Albuquerque. This line will provide service for the Socorro Electric Cooperative which now has a demand for about 400 kilowatts. This REA has advised that this load will increase to approximately 2,360 kilowatts with 2,461 customers by 1955. It is also estimated that Albuquerque will require 7,500,000 kilowatt-hours of energy at a demand of approximately 1,500 kilowatts. Power will also be furnished for an REA at Hillsboro, N. Mex. It now needs 300 kilowatts which is expected to increase to 1,070 kilowatts with 2,464 customers by 1955.

Materials used in constructing high voltage transmission lines are not used in building homes and office buildings. However, the availability of low-cost power will assist in the reconversion program by providing power to meet the needs of expanded building and agricultural activity. It is hoped, therefore, that before the bill becomes law the necessary funds may be granted for completion of the Elephant Butte-Albuquerque transmission line. For reasons obvious to the Committee of the Whole House, I am not now offering an amendment, but I hope that in conference the conferees of the House will give serious and realistic consideration to the need for the appropriation requested.

The Clerk read as follows:

Klamath project, Oregon-California, \$216,800;

Mr. ROBERTSON of North Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my State of North Dakota possesses 600,000,000,000 tons of lignite as a fuel resource. These deposits in North Dakota constitute about six-tenths of the total lignite resources of the United States. This fuel has not been used widely because of its distance from eastern markets and the problems of handling it in shipping. Lignite is a low-cost fuel, the most cheaply mined in this country, and the possibilities of utilizing it were recognized only a few years ago when the Minnesota-North Dakota Development Commission and the United States Department of Interior, Bureau of Mines, planned a program to develop the gasification possibilities of the lignite in the Great Plains States.

The Bureau of Mines constructed a commercial-size pilot retort on land donated by North Dakota to test the possibilities of making a wide variety of gases for industrial use. This retort was first

operated during the latter part of the 1945 fiscal year. The operation was successful, but during the 1946 fiscal year the project was hampered because only about one-quarter of the money necessary was available from a defense appropriation. Now there are indications that the retort will not be able to operate for more than 6 months of the 1947 fiscal year because of a similar lack of funds in a regular appropriation. An estimate of \$150,000 was allowed by the Bureau of the Budget and considered by industrial leaders and scientists of the Joint Resources Commission to be the minimum amount that would permit operation of the retort during the entire 1947 fiscal year.

Coke is commonly used in the production of gas for industrial use. North Dakota does not have coking coal, and in many of our towns, the cost of gas to the consumer is three times as great as in those areas where coke does not have to be shipped long distances. This retort is ready for continuous operation and has produced gas that can be used for domestic and industrial heat. The costs of production and the life of the retort have not been determined fully. Operation during this coming year is necessary for that purpose. The lignites and subbituminous coals slack and crumble upon exposure to the air and therefore cannot be shipped and stored unless special precautions are taken in preparing the fuel for shipping or in storing it. A steam-drying plant has been built as an auxiliary to the gas-making retort at Grand Forks and coal operators wish to have large-scale tests made on the possibilities of steam-drying their coals and the effect of steam drying on the storing properties.

This pilot plant at Grand Forks is already constructed and will not require critical materials except for minor changes in the plant mechanism. The report of the Committee on Appropriations in speaking of lignite and subbituminous coal investigations states, "During the current year, \$29,884 is available for such investigations at Golden, Colo., and Grand Forks, N. Dak." The \$29,884 has always been expended at Golden, Colo. I am familiar with the funds spent at Grand Forks and this \$29,000 would not be available there. In the bill which we are considering now, only \$75,000 increase was allowed by our committee on Appropriations for lignite and subbituminous coal investigations, including the gasification of lignite. I have inquired how long this amount would last and have been informed that the pilot plant at Grand Forks could not be operated more than 6 months.

Because of the large lignite resources, principally in North Dakota but extending into Montana and South Dakota, and the subbituminous coal deposits, principally in Wyoming and Colorado, the Government should do everything in its power to develop this low-cost fuel, bring new industries to these areas, and conserve some of the higher rank coals for special purposes for which they are absolutely essential. I am not giving you the opinion of only one person but the opinion of the Minnesota-North Dakota

Resources Development Commission which met at the pilot plant on April 26 and 27 of this year and observed it in operation and examined data taken by the engineers on past operation. It was the unanimous opinion of this commission that the pilot plant should be operated continuously during this coming year to provide operating data on many types of gas, data on useful life of critical parts of the plant, and more reliable cost data. In order to provide this necessary information which is essential to industrial growth in the fuel-producing regions and the iron range of Minnesota, I urgently request the restoration of \$75,000 of the estimate of the Bureau of Mines testing fuel appropriation for the item, "Subbituminous coal and lignite."

Mr. STOCKMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STOCKMAN: On page 40, line 9, strike out "\$216,800" and insert "\$500,000."

Mr. STOCKMAN. Mr. Chairman, in support of my amendment to restore the full amount of the \$500,000 Budget estimate for the Klamath project in Oregon and California, I call the committee's attention to the urgency of providing adequate funds for this project. The pending bill reduces the estimate to \$216,800.

While the public lands which will be benefited by the development to be financed by this appropriation are in California, the people of Klamath Falls and vicinity in Oregon are deeply interested in providing opportunities at their door for the settlement of the large number of veterans from that area who are seeking public-land farms.

About 7,000 acres of public lands are to be opened to settlement this year, and the plans of the Bureau of Reclamation call for the opening of an additional 7,000 acres in 1947 if certain construction work can be done to protect existing irrigation developments and assure an adequate water supply for the new lands.

The construction work provided for includes the lateral system necessary to distribute the water and the drainage system necessary to protect the land. Work is also necessary on the storage system in the Boundary Reservoir near the line between California and Oregon and for the main canal system. I urge that the full amount of the \$500,000 Budget estimate be restored.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. STOCKMAN. I yield to the gentleman from Iowa.

Mr. JENSEN. Does not the very able gentleman from Oregon think that this committee in the past, and even in this bill, has been quite liberal to the State of California, and does he not think that the money that is provided in this bill will be sufficient to do what the gentleman would like to see done in the State of California and in his State of Oregon in a manner that will be not only to the best advantage of those great States but also for the benefit of the United States Treasury, which is beginning to crack at the seams? The money is running



out through those seams so fast that we are afraid one of these days, if we do not stop, look, and listen a little, there will be no money whatever to spend for California, Oregon, or any other State in the Union. Just how bad does the gentleman think the committee used his State or the State of California or any other State in this bill? I hope the gentleman feels that we have not picked on his State or picked on the State of California.

Mr. STOCKMAN. I agree with the gentleman's statement that in the past the committee has been very generous indeed. I do think that this time the committee has been somewhat penurious.

Speaking about the seams of the National Treasury, in view of the fact that the money leaked out to the tune of \$400,000,000 yesterday, this reclamation appropriation would not hurt any.

Mr. JENSEN. The gentleman would not blame the committee if we tried to save a little money occasionally in a piecemeal manner in order to pay that \$400,000,000?

The CHAIRMAN. The time of the gentleman from Oregon has expired.

The question is on the amendment offered by the gentleman from Oregon [Mr. STOCKMAN].

The amendment was rejected.

The Clerk read as follows:

Provo River project, Utah, \$1,345,040.

Mr. ROBINSON of Utah. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBINSON of Utah: Page 40, line 10, strike out the sum "\$1,345,040" and insert "\$3,102,000."

Mr. ROBINSON of Utah. Mr. Chairman, the President has recommended that the Bureau of Reclamation be provided with \$3,102,000 in fiscal year 1947 for work on the Provo River project in Utah. The Committee on Appropriations proposes that \$1,345,040 be made available for this work. It is important that the full amount which the President recommended be appropriated if work on the project is to proceed in an orderly and economical manner. The \$3,102,000 will permit the continuation of the Bureau's normal program on this project, which was resumed with the supplemental appropriation recently made available.

The Provo River project is located in the vicinity of Salt Lake City consisting of three main divisions—Deer Creek division, Salt Lake aqueduct division and the Utah Lake division. The Deer Creek division involves the construction of a storage dam and reservoir on the Provo River, to furnish a supplemental water supply for the irrigation of 45,000 acres in the Utah and Salt Lake Valleys. The Salt Lake aqueduct division involves the construction of an aqueduct and two tunnels to convey water for the irrigation of fertile suburban lands amounting to approximately 10,000 acres along the eastern border of the Salt Lake Valley and for municipal and industrial uses of Salt Lake City. The Utah Lake division will furnish a supplemental water supply for about 40,000 acres in the Jordan River Valley.

Work on the project was under way prior to the entry of this country into

the war. Shortly thereafter all work was stopped by order of the War Production Board. The War Production Board subsequently approved resumption of construction on certain features of the project. This action was taken to preclude any possibility of a domestic water shortage in the Salt Lake area. Under this restricted approval work progressed on the Deer Creek and Aqueduct divisions during the war. On the Deer Creek division, the only activity during the war was that on the Weber-Provo Diversion Canal. Upon completion of the Duchesne Tunnel this canal will increase the flow of water into the reservoir created by Deer Creek Dam. On the Aqueduct division, the work in progress during the war consisted of the manufacture and laying of the concrete pipe line.

The funds appropriated for fiscal year 1946 have permitted a resumption of the normal construction program on this project. Work on the Provo Reservoir Canal, Weber-Provo Canal enlargement, and the Provo River Channel division, all of which are in the Deer Creek division, is being continued. Work has been initiated on the steel pipe sections and a current contract for more than 10 miles of the concrete pipe line is being completed on the aqueduct section. The funds requested for fiscal year 1947 will be expended principally for the continuation of work on the Deer Creek and Aqueduct divisions. This will bring the work on both divisions well along toward completion. Preconstruction work will be continued on the Utah Lake division.

During the war there was a large industrial expansion in the Salt Lake area. This was accompanied, of course, by a corresponding increase in population. These factors caused a great increase in the demand for industrial and municipal water supply. The War Production Board recognized these conditions and granted priorities in order that this work might move ahead. The area has been extremely fortunate in that there have been several years of above normal precipitation. However, long experience has shown that periods of from 5 to 6 years above average are followed by periods of substantially the same length of below normal precipitation and the beginning of a period of shortage is past due. In the event of a low-water year, the construction which has been continued during the war on the Salt Lake aqueduct would make it possible to make an emergency connection with the city's Little Cottonwood conduit, thus assuring a temporarily adequate water supply before any shortage could occur. In order that a permanent solution of the Salt Lake City water problem may be had, it is extremely urgent that the Salt Lake City aqueduct be completed as soon as possible. The water supply system serving the city which now has a population of 200,000 people, is very little more than adequate for the 1934 population under water supply conditions of that year. In order that the increased needs for domestic and industrial water in the area may be met, an additional filtration plant will be necessary for Salt Lake City. The city has requested that provision for a filtration plant be

included in the plans for the aqueduct division.

In order that Salt Lake City may be provided with an adequate water supply as soon as possible at the least cost to the Government and people of Salt Lake City, it is imperative that the full amount of \$3,102,000 as recommended by the President be made available.

It seems to me that we are all not thinking the same way here. The gentleman from Oklahoma makes a fine speech, but my question was not answered. How are you going to save any money by continuing a project, whether it is in my country or whether it is in your State or some other State, by continuing it over a period of 5 years when it should be finished in 2 years and payment back to the Government starts as soon as you complete it?

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I am glad to yield.

Mr. JONES. I understand the Department of the Interior has established a policy that there is a development period of 10 years without interest on the expended sum before payment starts.

Mr. ROBINSON of Utah. That is not on this project. The situation is that as soon as this project is finished the State of Utah, Salt Lake City joined with several other counties and cities in my State, have a contract that they will pay every cent of it and begin the day the project is finished.

Mr. JONES. The gentleman says they have a contract to that effect?

Mr. ROBINSON of Utah. The Government has a contract that is to that effect. We are obligated to do that. Yes, instead of finishing it in the next 2 years, you are making us go on for 5 years to finish it. I say, it is costing the Government money for at least 2 or 3 years, which money it should have and which is ready and waiting for it as soon as this project is finished. Not only that, this money is for the purpose of putting in certain ditches or canals which lead into Salt Lake City. The water is already impounded in the dam. Until those are finished into Salt Lake City, that water cannot be used. If there is a drought this year in Salt Lake City or in the Salt Lake area, we would have a catastrophe in that State. Yet, we stand here, and the Committee on Appropriations tells us that in spite of the fact the Bureau of Reclamation says we must have \$3,900,000 that we must get along with \$1,000,000. That is how the situation looks to me. Surely you men do not mean that, do you?

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. JONES. Will the gentleman state categorically that his project is different from most of the other projects in the Bureau of Reclamation where they have established this policy of a 10-year development, in that there is this contract so that this project is different from all other projects?

Mr. ROBINSON of Utah. That is as I understand it exactly.

Mr. JONES. And the contract is in existence at the present time?

Mr. ROBINSON of Utah. Yes; the contract is in existence. Several thousand people in six or eight cities representing the heart of Utah, are obligated jointly and severally to pay every dime of this money as soon as the project is completed.

Mr. JONES. Prior to Pearl Harbor, what was the average annual appropriation on this project?

Mr. ROBINSON of Utah. Prior to Pearl Harbor?

Mr. JONES. Yes.

Mr. ROBINSON of Utah. Over a period of about 6 or 8 years you have appropriated \$10,000,000 on this project.

Mr. JONES. So that the average would be about the same amount appropriated in this bill.

Mr. ROBINSON of Utah. No. You have got that wrong. We have been going under a backlog, because we could not get any priorities, so we have accumulated work that should be done.

Mr. JONES. Then that puts the gentleman in a worse position than he was before. If you have accumulated a backlog of funds, then why not use that, together with the very liberal amount the committee has allowed?

Mr. ROBINSON of Utah. As I pointed out, the only funds that are available are \$110,000. If funds are available and can be used and these contracts entered into, you and I think just alike. If they are not available and cannot be used to continue these new contracts that have to be entered into, then I think surely this committee will agree that it should raise this amount so that work can go in an orderly way.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. JONES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, taking the gentleman's statement as to the amount of money given for this project prior to Pearl Harbor, the committee has been most liberal with this particular project. The item "Provo River project, Utah, \$1,345,000," is one of the largest items in this list of appropriations for construction from the reclamation fund. The gentleman has received the lion's share from this group of reclamation projects, and I ask that the amendment be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah [Mr. ROBINSON].

The question was taken; and the Chairman being in doubt, on a division there were—ayes 29, noes 38.

Mr. ROBINSON of Utah. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

The Clerk read as follows:

Yakima project, Washington, Roza division, \$624,650.

Mr. HOLMES of Washington. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to address the House for a few minutes about the Roza division of the Yakima project in the State of Washington, as we are on that item in the bill now. I hope that after the appropriation proceeds through con-

ference between the two bodies we will be able to recommend for final passage a substantial increase in the amount of money allowed in this bill.

This project has been cut from \$1,440,600 to \$624,500.

I wish to call the committee's attention further to the fact that this particular project had such merit that during World War II in the midst of hostilities, in the midst of some of the most important phases of the war, the War Production Board was so impressed with its worth that they continued to allocate short-supply materials of a strategic nature so that the construction of this project could continue. I also wish to emphasize to the committee that this one million four hundred forty thousand six hundred asked for by the Budget was practically completion money for this project. It would not require more than a million or a million and a half actually to complete it. To stop it now in the near phase of completion that exists would be to prevent the bringing into production of fertile land and deny to veterans the opportunity to seek homes on that land now—not in the future, but now. It is one of the finest two-crop projects in the United States, and by a "two-crop project" I mean that it is capable of producing two crops of separate commodities per season, and we need that production of food now.

I ask the chairman of the committee to indulge me in a question which will be presented to him in just a minute. A great deal has been said about a carry-over fund of \$135,000,000 in the Bureau of Reclamation funds. If I remember correctly, on December 28, 1945, there was enacted a deficiency appropriation bill providing approximately \$88,000,000. Was not the \$135,000,000 carry-over fund of the Bureau of Reclamation computed by the Bureau or by the committee on January 1, 1946? And if that be true, Mr. Chairman, would it be possible between December 28, 1945, and January 1, 1946, for the Bureau of Reclamation to have spent and allocated the approximate \$88,000,000 of deficiency? Likewise is it not true that the balance between the \$88,000,000 and the \$135,000,000 was already allocated for future work in this year's program?

Mr. JOHNSON of Oklahoma. Answering my distinguished friend, I may say that when the Bureau of Reclamation asked the Deficiency Committee for \$88,000,000 last fall members of that committee felt it was such a gigantic sum that it ought to be cut at least in half. Sitting on that committee as I do, I went to bat for the Reclamation Service for every dollar of that \$88,000,000.

We were told at that time that if we allowed the full amount it would permit the Reclamation Service to start on these projects at once rather than wait.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. HOLMES of Washington. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. JOHNSON of Oklahoma. They stated further that the money appropriated then would not have to be appropriated in the annual supply bill. We therefore allowed the Reclamation Service the \$88,000,000 even though at that time the Bureau had a tremendous surplus.

When this committee met a few weeks ago we found that there was at that time a backlog of \$135,000,000. Add to that the amount allowed in this bill of \$72,000,000 and the gentleman can see the tremendous amount the Bureau of Reclamation has at this time.

Mr. HOLMES of Washington. I want to thank the chairman, but it is difficult for me to understand that explanation. Referring back to this particular program in which I am interested, it involves two major projects and each in Washington, the Columbia Basin project and the Roza Division of the Yakima project, both of which I spoke on in general debate day before yesterday.

Mr. JOHNSON of Oklahoma. If the gentleman will examine the hearings on page 16 he will find that the Yakima project had a balance of \$2,262,631, of which \$1,860,982 were not even obligated; so the committee has been rather liberal so far as his project is concerned.

Mr. HOLMES of Washington. By not being obligated, does the gentleman mean not under contract or not being set aside?

Mr. JOHNSON of Oklahoma. Not under contract.

Mr. HOLMES of Washington. Does the gentleman mean not being set aside for contract?

Mr. JOHNSON of Oklahoma. It is all provided for that purpose, of course.

Mr. JENSEN. The money is available.

Mr. JOHNSON of Oklahoma. The fact remains there are \$2,262,000 surplus, a carry-over, a backlog in that project alone.

Mr. HOLMES of Washington. Does the gentleman believe that the \$624,500 will continue the project under the schedule that they had outlined for it in relation to their sequence in contracts, pumping program, and so forth?

Mr. JOHNSON of Oklahoma. I am of the opinion it can carry on in a very fine way with that amount. Maybe it is not as much as they want, but there is not any project getting as much as they want. I do think this project is hurt about as little, if you can call it hurt, slowed down as little, as any project in the United States.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

Mr. HOLMES of Washington. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HOLMES of Washington. Mr. Chairman, I wish to thank the committee for providing \$25,000 in additional money for the operation and maintenance of the Wapato project on the Yakima Reservation.

I also want to leave with them some memories of the time when they were on



this particular Roza division of the Yakima project and saw its possibilities, saw the food that the project produces. I question if any project had a more meritorious record in the entire history of World War II as to permit the War Production Board to continue its construction with strategic materials in the face of the scarcity of those materials for the prosecution of the war.

I address myself to this particular project at the present time because I do not think that the Columbia Basin project, the greatest ever undertaken by the Bureau of Reclamation, does not have tremendous merit. It is probably the most constructive program for bringing water on to land for production purposes that has ever been made in the history of this country. But I want to particularly stress these points with reference to the Roza division of the Yakima project. It is right up to the point of completion, it has land available now. I wish to emphasize those points and prevail upon the House to keep them in mind when the conference report comes up for final enactment.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. HOLMES of Washington. I yield to the gentleman from Arkansas.

Mr. NORRELL. I want to say to the gentleman that I had the pleasure of visiting this project. I know of no better reclamation project anywhere in the United States than this one. I wish I had time to elaborate upon how much I did enjoy going out there.

Mr. HOLMES of Washington. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee, having had under consideration the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes, had come to no resolution thereon.

#### ANNOUNCEMENT

The SPEAKER. The Chair desires to announce that on January 14, 1946, he laid before the House a letter from the Clerk submitting a list of reports which it is the duty of any officer or department to make to Congress. This letter and report was referred to the Committee on Accounts but inadvertently was not ordered printed. Without objection, the letter and report will be printed as a House document.

There was no objection.

#### EXTENSION OF REMARKS

Mr. CAMP. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address delivered by me at Savannah, Ga., on May 7 before the Cotton Club. This may exceed two pages of the RECORD, but I ask

that it be printed, notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

Mr. HOOK asked and was given permission to extend his remarks in the RECORD and include an address delivered by him over the Michigan radio network.

Mr. D'ALESSANDRO asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an appeal received by the Minister of Lithuania, and in the other a statement by Mr. J. Milton Patterson, director of the Maryland State Department of Public Welfare.

Mr. STARKEY asked and was given permission to extend his remarks in the RECORD and include a statement from the American Veterans' Organization.

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include a description of the ceremonies at the White House yesterday.

Mr. RANDOLPH asked and was given permission to extend his remarks in the RECORD and include a statement presented by his colleague the gentleman from Washington [Mr. DE LACY] and himself, during a radio debate.

Mr. EARTHMEN asked and was given permission to extend his remarks in the RECORD and include a news item.

Mr. ROWAN asked and was given permission to extend his remarks in the RECORD and include a statement by the president of the Sanitary District of Chicago, Mr. James Whalen.

Mr. SAVAGE asked and was given permission to revise and extend the remarks he made in the Committee of the Whole today and include telegrams.

Mr. DE LACY (at the request of Mr. SAVAGE) was given permission to extend his remarks in the RECORD and include telegrams.

Mr. WOODRUFF (at the request of Mr. JONES) was given permission to extend his remarks in the RECORD in two instances.

Mrs. LUCE (at the request of Mr. MARTIN of Massachusetts) was given permission to extend her remarks in the RECORD.

Mr. REED of New York (at the request of Mr. CASE of South Dakota) was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HOFFMAN (at the request of Mr. CASE of South Dakota) was given permission to extend his remarks in the RECORD at the completion of other special orders today.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point on the subject of origin of Mother's Day.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

#### ORIGIN OF MOTHER'S DAY

Mr. CASE of South Dakota. Mr. Speaker, when America pays homage to its millions of mothers next Sunday, the Nation will follow an example set by a

South Dakota Governor 37 years ago, who issued the first Mother's Day proclamation and 4 years later saw the idea become a national day of tribute.

Robert S. Vessey, who served as South Dakota's seventh chief executive from 1909 through 1913, issued the initial Mother's Day proclamation on April 16, 1909, after the idea had been suggested by Mrs. Anna Jarvis, of Philadelphia, who wrote to the governors of the 46 States in the Union that year, asking that they proclaim the second Sunday in May as a day of tribute to mothers. Although 45 other governors acknowledged the request, Vessey alone issued a proclamation, and South Dakota became the first State to observe the day.

Miss Jarvis, who still resides in Philadelphia, has credited South Dakota with leading the way toward national observance, which was proclaimed by congressional resolution on May 10, 1913, when the second Sunday in May was made a Nation-wide day of tribute.

While Vessey was later surprised to learn that his was the only Mother's Day proclamation issued by a governor that year, South Dakotans deem the act typical of the Governor, who was noted for his personal kindness and zeal for moral legislation.

Vessey died in October 1929, but he lived long enough to see a suggestion which only he and one other person thought important enough to warrant an official proclamation, become a national holiday, a day in which 130,000,000 people of the world's most powerful nation pause to pay humble and grateful tribute to their mothers.

#### ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### INVESTIGATION OF MINERS' CONDITIONS

Mr. GORE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GORE. Mr. Speaker, I am today joining with Senator McMAHON in the introduction of a resolution providing for the establishment of a joint committee to make a full and complete study and investigation with respect to the working conditions, adequacy of pay, adequacy of medical care, hospitalization, and compensation payable to miners when injured, with the direction that that committee report as expeditiously as possible back to the House and the Senate the result of their findings.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I wish to congratulate the gentleman for introducing

this resolution. As far as I am concerned, I hope the Committee on Rules will give favorable action for its consideration at an early date.

Mr. SAVAGE. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield to the gentleman from Washington.

Mr. SAVAGE. I want to congratulate the gentleman. I think if something like that had been done before, we would have prevented a lot of the strikes and trouble that is going on.

Mr. GORE. I thank the gentleman.

#### EXTENSION OF REMARKS

Mr. ELLSWORTH asked and was given permission to extend his remarks in the RECORD and include addresses made by Hon. W. STERLING COLE, Representative from New York, and the Honorable Earl Snell, Governor of Oregon, on the occasion of the dedication of the Mott Basin in Oregon.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD.

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD in two instances and include in each an editorial.

#### THE COAL STRIKE

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, the chickens are coming home to roost for the New Deal. Since 1933 labor has practically controlled the administration of this Nation. Any fair-minded man or woman will agree on that statement.

Yesterday I noticed in a leading Washington newspaper a cartoon entitled "The State of the Nation." This cartoon shows big, burly John L. Lewis, with a white vest prominently displayed, covering his somewhat ample bay window. In one pocket of this vest is a figure symbolizing the President of the United States, and this Tom Thumb is quoted as saying, "The coal strike is a national disaster." In the other pocket is a second miniature figure representing the Senate of the United States, asking why does not somebody do something about it?

It is inconceivable that any good American citizen could obtain amusement from that particular cartoon. It is also inconceivable that conditions in this Nation can be such, or have come to such a pass, that the subject matter of the cartoon can justly be labelled as having semblance to the truth.

The House has endeavored time after time to put labor unions where they belong, and that is, on a par with but no higher than, any other group in the United States of America. The Senate, at least the majority of it, has promptly pigeon-holed any antistrike legislation passed by the House. The Senate Committee on Education and Labor has buried such legislation without formality, at the request of the administration, and no attempt has been permitted by the

New Deal to pass corrective legislation which might lessen the power of labor organizations.

Yes, the chickens are coming home to roost. John L. Lewis is today closer to strangling the economic life of this Nation than has ever any one individual. Letters are pouring in asking me just why and how this should be. There is no question but what John L. Lewis will receive from this administration a so-called compromise plan satisfactory enough to him so that the miners will shortly get back to work. It is a disgrace, however, to this Nation that any one man can exert the power which John L. Lewis exerts today. It is a disgrace to any administration to permit the exerting by that one individual of that power, and the only permanent solution to the headline in today's paper which states, "Schools and railroads to shut down if strike lasts," is for the American people to demand legislation which would prohibit the striking by any group against the public interests and safety.

#### MAKING PERMANENT PROVISIONS OF ACT OF JULY 11, 1941, PROHIBITING PROSTITUTION IN THE VICINITY OF MILITARY AND NAVAL ESTABLISHMENTS

Mr. MAY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6305) to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. MAY. I will be delighted to, Mr. Speaker.

This bill makes permanent the provisions of an act passed early in the war, which authorizes the Secretaries of War and the Navy in collaboration with State authorities to quarantine sections around heavy centers of population like Army camps and naval installations and to prevent the gathering of questionable characters.

Mr. MARTIN of Massachusetts. How long does this bill extend that act?

Mr. MAY. This makes the statute permanent. It developed in the testimony before the committee and in the reports from the War and Navy Departments and the Public Health Services that prostitution is increasing and that venereal diseases in the armed forces are increasing at an alarming rate, so much so that I would hesitate to say what it is. They think this law ought to be made permanent, and the armed services and others interested have requested that it be made permanent.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc., That the act entitled "An act to prohibit prostitution within such reasonable distance of Military and/or Naval*

*Establishments as the Secretaries of War and/or Navy shall determine to be needful to the efficiency, health, and welfare of the Army and/or Navy," approved July 11, 1941, as amended, is amended by striking out "May 15, 1946, or the date of the termination of hostilities in the present war, or on such earlier date as may be specified in a concurrent resolution of the two Houses of Congress for that purposes. As used in this section the term 'date of the termination of hostilities in the present war' means the date proclaimed by the President as the date of such termination or the date specified in a concurrent resolution of the two Houses of Congress as the date of such termination, whichever is the earlier."*

With the following committee amendment:

On page 1, line 8, strike out "May 15, 1946", and insert "until May 15, 1946."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### EXPORTATION OF CERTAIN COMMODITIES

Mr. MAY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1580) to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. MAY. The act sought to be continued authorizes the Department of Commerce and the Export Control Board to provide licenses and in that way control the allocation of exports. The situation might be illustrated very fairly this way. Take the wheat situation now, when bread is needed abroad. These licenses are very helpful in assigning products to the places they are most needed. They have worked well in connection with export control during the war, and the extension of this authority is needed.

Mr. MARTIN of Massachusetts. What is the expiration date of that act?

Mr. MAY. It expires on the 30th of June next, and this bill continues it for only 1 year after that.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc., That section 6 of the act of July 2, 1940 (54 Stat. 714), as amended by the act of June 30, 1942 (56 Stat. 463), the act of July 1, 1944 (58 Stat. 671), and the act of June 30, 1945 (59 Stat. 270), is hereby further amended by deleting from subsection (d) thereof the words "June 30, 1946" and substituting therefor the words "June 30, 1947."*

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.



The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. Hook] is recognized for 15 minutes.

#### AMENDMENT OF THE FAIR LABOR STANDARDS ACT

Mr. HOOK. Mr. Speaker, 8 months ago I introduced in the House of Representatives a bill, H. R. 3914, to amend the Fair Labor Standards Act of 1938. The purpose of that bill is to provide more adequate minimum wage protection to a greater number of workers than is now possible under the law.

Events during the last 8 months have intensified the need for substantial upward revision in the minimum and for broadening the coverage of the act to the greatest extent possible under the Constitution.

A month ago the Senate passed a bill to amend the Fair Labor Standards Act. The form in which the bill passed the Senate was much modified from that reported by its Committee on Education and Labor. The committee proposal called for a 65-cent minimum now with an increase to 70 cents after 2 years and to 75 cents after 4 years. The Senate watered this modest objective down to a flat 65-cent rate to become effective 10 months after enactment with virtually no change in the present coverage.

It is my earnest hope that the House of Representatives will consider the minimum wage and coverage questions in a more realistic and contemporary manner when the decision is before us.

I have proposed in my bill that the present minimum of 40 cents an hour be increased to 65 cents immediately, to 70 cents after a year, and to 75 cents after a 2-year period.

A 65-cent minimum, as the hearing before the Committee on Labor makes clear, would do little more than mark time—would not, in view of changes in the cost of living, do more than maintain the purchasing power of workers at the 1938 level. Because the increases in the cost of living are felt more by low income groups, the 65-cent minimum would not represent even a bona fide cost of living adjustment over the "obsolete" 40-cent rate.

A flat 65-cent rate, without provision for progression up to 70 cents and 75 cents, is obsolete also in that it takes little or no account of the changes in productivity which continued to occur after the passage of the Fair Labor Standards Act and before our entry into World War II. It does not take into account the spurt in productivity which comes from the application of new techniques developed during the war.

It would be a great mistake, Mr. Speaker, to think that by raising the minimum wage to 65 cents we would be bringing the Fair Labor Standards Act up to date. Actually, we would be restoring the real wage to a 1938—not a 1946—level.

We must remember that Congress, in 1938, was pioneering in the field of a national wage policy. That pioneering venture—the Fair Labor Standards Act—was recognized by those of us who supported the legislation then as merely a start toward the goal set forth in the act

of a minimum standard of living necessary for health, efficiency, and general well-being of workers.

The most comprehensive, and most widely acceptable, information in the Federal Government on the cost of living is to be found in the Bureau of Labor Statistics. The Bureau's information, as shown in testimony before our Committee on Labor, indicates that minimum wages of 65 cents an hour now and 75 cents in 2 years would mean earnings for a fully employed worker of \$1,300 now and \$1,500 in 2 years. The committee was advised in the language of the BLS experts that—

The statistical evidence of the inadequacies \* \* \* of a \$1,300 or \$1,500 family income seem to be almost overwhelming.

And that—

For a family to obtain a minimum standard of adequacy all workers must either earn more than 75 cents an hour or must work many hours of overtime, or else two or more people in a family have got to have jobs.

I would like to emphasize at this point that in view of many reliable witnesses, the estimates of the increases in the cost of living compiled by the Bureau of Labor Statistics are very conservative estimates. During the past 2 years there has been a good deal of controversy as to whether these figures on the cost of living may not be too low. In any event, I know of no responsible student of the cost of living who asserts that the Bureau's figures are too high. Obviously then, we must consider the BLS estimates as having been carefully, even conservatively arrived at. The inescapable conclusion from their figures is that the objective of a 65-cent minimum now and a 75-cent minimum after 2 years would be no more than another step toward that minimum standard of living which Congress established as its goal back in 1938.

Let us look a little more closely at that record. That record shows clearly that even the 75-cent minimum at present prices does not provide a decent minimum standard for a family of four. In 1935 the Works Progress Administration developed an emergency-level budget for a family of four as a guide in handling unemployment relief. This budget was designed for emergency purposes, and the WPA warned that there were dangers to its continuation over a long period of time. That budget was priced in 1944 in five textile communities and cost a little over \$1,400. Increases in the cost of living since that time would bring the total cost to about \$1,450. I would like to emphasize again that this is an emergency-level budget to keep people from extreme want. Such a budget does not even approach the income necessary to assure to the worker who receives it an American standard of living.

The emergency-level budget includes 15 cents a meal per person, and \$16.73 a month for rent. Other items are priced accordingly. Mr. Speaker, it simply is not possible to cut down on such a family budget. We should not expect any worker to have to try to cut down below the levels there provided. In fact, we should devote our thinking and our ef-

forts to the possibilities of even higher levels.

Some of the opponents of this bill for a 75-cent minimum in 2 years will say that many of the lower-paid workers are single people, for whom a 75-cent minimum would not be necessary. I have always believed that the family is a basic foundation of our American civilization and it seems to me unthinkable to consider a minimum wage on any other basis. Moreover three-fourths of the wage earners of America getting less than the minimum proposed in my bill are married and a larger proportion of the single workers getting less than the minimum hope to marry when their economic standards permit. Many of those single workers are veterans. Will we condemn these workers to substandard wages? The veteran deserves far more from his country than bare subsistence.

Mr. Speaker, there may be those in the House as there were in the Senate who acknowledge that the objectives of a 65-cent and a 75-cent minimum are not too high, as far as the living needs of families are concerned, but who ask, Can we afford it? Mr. Speaker, it seems to me that they are faint of heart who would sell the workers of America short. They do not realize the enormous implications which ensue from an increase in our national income from sixty-four billion in 1938 to over one hundred and sixty billion in 1945.

This increase, even considering the change in the cost of living, represents an addition of over 75 percent in the per capita income of the country. Even if we took into consideration the somewhat longer workweek which many workers had much of in 1945, the increase is substantially more than 60 percent greater. In other words, the country has the resources, the income, and the productivity which permit the attainment of the minimum-wage objectives which my bill would provide.

During the war, we announced as one of our objectives the attainment of freedom from want. We do not have freedom from want for millions of our citizens as long as we have a 40-cent minimum in our National Fair Labor Standards Act. Nor will we have taken an appreciable step forward if the minimum is no higher than 65 cents. Even the 75-cent minimum will not achieve an adequate living standard for our lowest paid workers but it would represent a real and important advance in that direction. Such an advance in 2 years, when the bulk of the pent-up savings during the war shall have been spent, will provide an important reservoir of purchasing power which will help stabilize our economy against that cycle of wage cutting and price cutting which spelled depression after the last war.

The Congress in 1938 provided for coverage of workers in commerce or in the production of goods for commerce. As many court decisions have made abundantly clear the Congress has considerable power under the commerce clause of the Constitution which was not made use of in passing the Fair Labor Standards Act. It seems to me that we in Congress should be very conscious of the fact that we are asking a great deal of workers who

are exempt from the act. For many of those workers we are asking in effect that they should subsidize the country by their low wage. Their employers are frequently in active competition with establishments which must comply with the act. In consequence, I favor the extension of the minimum-wage, overtime, and child-labor provisions of the Fair Labor Standards Act to activities affecting commerce in the manner proposed by the Senate Committee on Education and Labor in the bill reported by that committee.

Some of the workers most in need of the minimum-wage protection of the Fair Labor Standards Act are the large group of retail workers and other employees of chain stores and of large department stores. Studies of the wages of these workers have revealed them to be badly underpaid by an American standard, although individual employers have led the vanguard by paying more adequate wages. I think the time has come when the Congress should extend the Fair Labor Standards Act to protect these workers. Back in 1938, since the idea of the Federal Fair Labor Standards Act was new, the Congress had a cautious approach to the problem of coverage and therefore wrote into the act many exemptions from the minimum-wage and overtime provisions. The experience under that act has clearly shown that no important branch of the American economy has suffered from its inclusion, while on the other hand millions of American workers have been, and today still are, denied the protection of the basic standards of the Fair Labor Standards Act. I believe that we should reconsider those exemptions from the act and bring the benefits to large groups of workers not now covered.

Our American seamen have a job which has elements of danger, skill, difficulties, and inconveniences, substantially in excess of many shore jobs. I believe that our seamen, consequently, should be brought within the coverage of the act. In the extensive hearings before the Senate Committee on Education and Labor and the House Labor Committee, as well as during the prolonged debate in the Senate on the amendment to the Fair Labor Standards Act, not one voice was raised to urge that it costs seamen less to live than it does other American workers. American seamen need a 65-cent minimum now and a 75-cent minimum later as much as do other American workers.

I believe that the time has come to extend coverage under the act to several hundred thousand workers engaged in processing agricultural commodities and to remove the exemption for workers handling and processing fish and other sea-food products. Since the original enactment of the Fair Labor Standards Act, union contracts in these fields have revealed that the basic standards of the Fair Labor Standards Act are eminently practicable for such workers.

There are two other proposed changes in the Fair Labor Standards Act which would mark important advances. One of these extends the child-labor provisions. At the present time, there is no restriction of any kind concerning the

employment of children in many hazardous occupations in transportation and in commerce. There is a restriction on the employment of children in the production of goods for commerce, but that restriction merely prevents the shipment for 30 days of goods produced in establishments where oppressive child labor has been employed. A manufacturer or dealer can easily circumvent the spirit of the child-labor provisions of the Fair Labor Standards Act merely by holding the goods from shipment for more than a month. Since in normal times, many factories have inventories substantially larger than 30 days' production, the child-labor provisions often do not apply to factories where they are particularly needed. The country at the present time is busy in bringing back to our civilian-labor force the millions of fine American boys and girls who served their country so well during the war. The employment of oppressive child labor can impede that activity. There are many of us who believe that, in the richest country on earth, there is no longer any excuse whatsoever for the exploitation of our children in oppressive child labor. The bill as passed by the Senate proposes to prohibit the employment of oppressive child labor in all the employment covered by the present Fair Labor Standards Act. I am in hearty agreement with that proposal, but I believe we should go one step further and prohibit such oppressive child labor in activities "affecting commerce" as well.

The proposed amendment to the Fair Labor Standards Act would provide for a uniform statute of limitations. At the present time, there is no statute of limitations for suits brought by the employees to collect back wages. As a result, the length of time during which employees may bring suit for back wages depends on the State in which they are working and varies from 1 year to 6 years. The varying length of State periods gives competitive advantages to violators in States with arbitrarily short periods, and has subverted in considerable measure an important purpose of the Fair Labor Standards Act, that is, the elimination of unfair competition. In fact, some of the States provide for a statute for employee suits substantially shorter than suits to collect money where the employee is the debtor. This situation, Mr. Speaker, I believe, is patently unfair. The worker is usually less able, rather than more able, to engage legal counsel to protect his rights than are his creditors. In many of the States, the employee's creditors may sue for money due up to 5 years or longer. I believe, therefore, that a uniform period for employee suits is a vital part of amending the Fair Labor Standards Act and that this period should be adequate in length, preferably 5 years.

Mr. Speaker, amending the Fair Labor Standards Act along these lines which I have spoken for is an act of simple justice to millions of American workers, an act of justice which is long overdue. Even before the war, the Congress enacted much legislation for the protection of American businessmen having defense or

war contracts. During the war, provision was made to guarantee markets for American farmers for 2 years after the war. Millions of American workers in the well-organized industries have received wage increases during the war and thereafter. The Congress has done nothing whatever for the millions of unorganized low-paid workers since 1938. I believe we should act to remedy this situation and act immediately.

The SPEAKER. Under the previous order of the House, the gentleman from Georgia [Mr. GIBSON] is recognized for 25 minutes.

#### STRIKES—WHAT DID OUR BOYS FIGHT FOR?

Mr. GIBSON. Mr. Speaker, I want to predicate what I am fixing to say on the query, "What did our boys fight for?" When we look about and see the economy of our Nation torn to threads and trampled under foot by a bunch of gangster labor leaders like Sidney Hillman, Walter Reuther, and John L. Lewis, before the boys whom we sent abroad to fight and die to preserve what they are destroying get home, I am brought to wonder where the courage of the leadership of this Nation has found refuge.

We have hundreds of thousands of boys who have just returned from the battle fronts, where they lived through the day under heavy gunfire and slept in mud at night for \$50 per month, who are walking the streets seeking honest employment; practically 9,000 within the shadows of the National Capitol in the city of Washington. Yet, we permit those who stayed at home and enjoyed high wages to leave their jobs and sit down and live off of the war bonds they bought in a gesture of patriotism, and so completely paralyze the economy of this Nation that not only can these returning soldiers not find gainful employment, but they are even denied food and shelter by the treasonable acts of such characters as John L. Lewis.

The distressing thing to me about this whole situation is the seeming surrender that has been made by the leadership of this Nation to such characters as Sidney Hillman and John L. Lewis. Sidney Hillman represents the most vile type of Communist bigots. He came to this country from Russia, where he was one of the fomenters of a communistic revolution that put the inhabitants of that nation in slavery and suffering. He now gloats through the press that he is going to defeat all Members of the National Congress who have had courage enough to stand up and try to protect the American people and the American way of life. No better could be expected of him; he comes as a traitor, he lives as a traitor. He has never, nor will ever, feel the kindly and humanly impulse of a true American. But it is beyond me to see how those blessed to be American citizens by birth, and to have enjoyed the traditions of America, could back him up in his nefarious and damnable plans and purposes. Only recently when this body had courage enough to pass what is known as the Case bill, which would have prevented these strikes and the devastating effect the same is having on this Nation had it become law, some of the



leadership of my party, the Democratic Party, the party I love, went to Hillman's camp and joined in his avowed purpose of purging us Members from political life because we dared to defend our country and the soldiers who fought for its very existence. That great political Samson, Henry Wallace, joined in his purge plans. More than this, in the May issue of the Democratic Digest, a monthly publication of the National Democratic Party, it was stated that the Members of the House who voted for the Case bill had voted against the American people. In reply to this charge I now want to ask those responsible for this statement in the Democratic national publication, who they consider the American people, the labor racketeers who have put out to destroy this country, or the rank and file of the public who form the bone and sinew of true American democracy?

I hope the American people will analyze this statement fully, and that my party will discover the error of its ways before it is too late. I hope that it may clean its own house before the decent people of this Nation have to step in and clean house for the party. Those who first detect their own sins are smart.

What is the answer to all this chaos and the destructive activities that are running rampant in this country today? The Congress and President had the power to reach into every American home and take fathers away from small children, young sons away from school and the protection of mothers and fathers, and send them abroad to fight and die to protect the freedom of America. Then, may I ask why that same power cannot be used to stop destruction before our eyes of everything accomplished by the toil and ingenuity of all those who have gone before us and built this great Nation from a wilderness inhabited by wild Indians and the beasts of the forest? If for once those in Washington representing the American people could forget political strategy and think of the well-being of this Nation and the generations to come, then our democracy would be preserved. The House, the body of which I am a Member, has well done its duty. It has passed three bills, either of which would have prevented these strikes had the same become law, but instead of the President asking the Senate to promptly pass upon this legislation, every force of the Democratic Party exercised its influence upon the Senate to pigeonhole the legislation. Further, the shameful, distasteful, and disgusting feature of this is that our party in so doing joined with and cooperated with Sidney Hillman and his communistic CIO gangsters.

I notice in the press today that President Truman states that if the railroad brotherhoods strike he will take over the railroads. I want to ask why he did not take over the coal mines when the strike was first called? He had the same power then that he has now. No strike has or can ever so completely stagnate the industry of this Nation, and the very right to live of our people, as this coal strike.

It is known that the railroad brotherhoods are not tainted in any degree with communistic influence. It is further

known that they are the most truly American of all labor unions and that they have more grievances justifying a strike than any other organization. Then again, I ask why the railroads should be taken over and other industries where Sidney Hillman and John Lewis have established themselves as American dictators should not be subjected to the same power to which the railroad brotherhoods are subjected? Cannot we be fair in our dealings on all matters?

We must bear in mind that Lewis is not conducting this strike primarily for wage adjustments, but for the avowed purpose of establishing the right in him to levy and collect a tax on the American consumer on every ton of coal produced. With this he hopes to amass millions under his control to carry on his drive against our American way of life. The power to tax is dangerous in the hands of Government, but when placed in the hands of one of his type would be more destructive than any power that could be given him. It must never happen.

The most serious feature of this whole situation is that the chaos in which we live today is the result of a concerted drive by the Communists in this country, who no doubt get their instructions from abroad, and yet our Justice Department sits idly by and permits them to thrive openly and aboveboard with the avowed purpose of destroying our form of government. It is beyond me to conceive of any such condition being permitted to exist by the American people.

I say to the people throughout the length and breadth of this land that if you love our system of government, it is high time that you exert yourselves in the political life of this Nation. I hold in my hand a letter addressed to me by V. J. Jerome, associate editor, under the following letterhead: "Political Affairs, a magazine devoted to the theory and practice of Marxism-Leninism, 35 East Twelfth Street, New York, N. Y., May 2, 1946".

DEAR SIR: For the past year, we have been mailing Political Affairs monthly to you and to the other Members of Congress.

We have been doing this on the assumption that you would find it of practical value to receive, at first hand, an authentic and systematic presentation of the viewpoint and programmatic position of one of the representative political groups of this country—the Communist Party—on the economic, social, and political problems of the Nation in regard to domestic and foreign affairs.

If you have found Political Affairs useful and would like to continue receiving it, we should appreciate receiving your notification to that effect.

Very truly yours,

V. J. JEROME,  
Associate Editor.

It is astounding to me that our Justice Department permits such filth to go through the United States mails. Please do not confuse yourselves with the idea that the Communist Party is just another political party. Instead, it is a subversive organization organized and operated with the avowed purpose of overthrowing our form of government and setting up a Soviet America. They are guilty of open and mass treason, but those who are supposed to protect the

American people sit idly by and are permitting them to eat the very heart out of our Republic.

According to the press, this same bunch of un-American gangsters, in convention assembled in the city of New York last July, pledged themselves, amid loud cheers, to overthrow our form of government and substitute therefor a Soviet America within 5 years. They were bold enough to even state that they would accomplish that aim through the medium of a workers' revolution. With this warning thrown out, my friends, we just as well admit that those in authority in Washington are responsible in toto for the disaster that is facing our Nation and its people today. When you look into the face of your child and see it hungry, remember that those in Washington charged with the responsibility of protecting this Nation are responsible for that pitiful spectacle.

I want to speak one word of warning to those decent members of the labor organizations throughout this country, and that is this: If they follow this line of activity and philosophy, they are cutting their own throats. If they would only look about themselves and think one time, they would know that nothing but serfdom and slavery has been the result of the activities of these groups in the old country. A great majority of the members of labor unions today are good American citizens, but they are permitting themselves to be led by a bunch of enemies of a free democracy, with the avowed purpose of bringing the citizenry of this country into a state of poverty and slavery, and are permitting themselves to be the tools used to accomplish this dastardly end. I wonder if you will wake up before it is too late. If you do not, you are then sowing the seeds that will cause your children to hate you and your existence in this Nation.

Furthermore, according to the press, a message was read at the convention of the Communists in New York from Joe Stalin wherein he predicted economic chaos in the United States following the war. We must realize that we are on guard for the American people we represent, and please let us not fall asleep. There can be no doubt that all this industrial chaos is nurtured from abroad, and I say to you frankly that, unless the representatives of the American people have courage enough to stand up in their boots and fight this influence, in a very few months our economy will be so completely destroyed that we will not even be able to live in peace, to say nothing about combating a foreign enemy. If you close your eyes to these facts, then you are definitely inviting destruction of our democracy and the homes of America that have in the past supported and maintained American freedom and justice.

We further had as well admit a fact, and that is, that the confusion and turmoil we have and the hold that the Communists have in our country, have at least been invited by those in authority in Washington over the last few years. The sooner we who are in power realize these facts and stand up with a determination to correct our wrongs in the past, and I

direct this at those individuals at whose doors the responsibilities lie, the better off this Nation and her people will be.

Furthermore, I want to say to you that free and uninterrupted private enterprise has been the medium through which this Nation has been made great, and that unless we weed the bureaus out of this Government that are regimenting the economy of this country and directing every move that every individual makes, you may expect a complete collapse of the American economy. You may take this or leave it, but time will prove that I am right. We have many bureaus here that are striving day and night to create and maintain a dire scarcity of commodities in this country and perpetuate themselves in power and position, and, I hope, for no viler purpose than this.

I call upon the President of the United States, in his lofty and powerful position, to act, and act now, and there may be a hope of saving this the greatest Republic that God has ever permitted human creatures to enjoy the freedom and liberty of.

Mr. Speaker, I ask unanimous consent to insert at this point in my remarks an editorial appearing in the Washington Daily News of May 10.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. GIBSON. The editorial is as follows:

#### IT IS A STRIKE AGAINST THE GOVERNMENT

Never in history have we had such a demonstration of official impotence as is being shown in this coal strike.

The American people have been pushed around by an insolent, power-mad ego-centric—John L. Lewis—whose determination to defy the Government and impose his will on a whole people now threatens to destroy the national economy and the public security.

It would seem a situation to stir a storm of wrath that would blow this strutting, beetle-browed tyrant forever into oblivion.

Yet the President of the United States, in whose opinion the strike was a national calamity 6 days ago, now says coolly that it has not yet become a strike against the Government; that if and when it does he, the President, will do something about it.

And the President's party leader in the Senate urges Congress to wait for calmer times before acting to correct the biased laws and Government policies which have given Lewis his power and made this situation possible.

Meanwhile, the arrogant Lewis isn't even attending strike conferences.

And what happens while we wait?

Two million people already are jobless or working only part time because of the strike. Their number swells by many thousands daily as steel plants close in Pennsylvania, auto plants in Michigan, factories of all kinds in Ohio, Illinois, Indiana, and other States. Seventy-five percent of rail freight is embargoed. Two thousand passenger trains go out of service today; two thousand more next Wednesday. Use of electric power is drastically restricted over a wide area. Streets of scores of cities are darkened. Their food supplies are dwindling. Their hospitals and schools are running out of fuel. Their water and sewage systems are endangered. And much, much worse is still to come as paralysis gallops across the land.

This Lewis coal strike is, and has been from its start, a strike against the Government.

It is a strike against that domestic tranquillity and general welfare which the Constitution says it shall be the purpose of Government to insure and promote.

It is a strike to destroy the price and wage controls by which the Government is attempting to protect the people from calamitous inflation.

It is even a strike against the National Labor Relations Act, which law, President Truman says, forbids payment of the coal tonnage royalty that Lewis insists must be granted before he will even discuss other demands.

The issue has gone beyond the merits of an employer-employee relationship. It has become the simple issue of whether one man shall be allowed to wreck our society.

This is a strike against the Government. If the President and Congress ever intend to do anything about it, the time is now.

This condition is nothing new to me. I have tried to warn those in authority in Washington, and the people of the United States, since my entry into the Congress of this Nation in 1941, of what may be expected if we did not act with courage, intelligence, and determination.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. GIBSON. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Is the editorial to which the gentleman has just referred the one that appeared on the front page of today's Washington News?

Mr. GIBSON. Yes.

Mr. CASE of South Dakota. That particular editorial appears under the heading "It Is a Strike Against the Government," and proceeds to make that point. In that connection, may I call the gentleman's attention to the fact that Dr. Edgar L. Warren, who is the present head of the Conciliation Service in the Department of Labor, is on record in testimony, which I would be glad to place in the Record, as saying that he does not agree with the theory that employees of the Government have no right to strike against the Government. He goes on to develop that thought and states that although he recognizes that some people contend that there should be no right to strike against the Government, as far as he is concerned he does not agree with that policy. I may say that it is partly because of that philosophy dominating the leadership of the present Conciliation Service, I think, that some of its efforts to achieve mediation and conciliation have been unsuccessful in many of the strikes we have had.

Mr. GIBSON. I agree with the gentleman fully and I have some information on the Labor Department that I may later give which will bear out that theory.

Mr. CASE of South Dakota. With the gentleman's permission, then, I will place here the quotation of testimony by Edgar L. Warren, Director of the United States Conciliation Service, to which I have referred:

[From Public Administrative Review, No. 4, autumn 1945, p. 378, A Panel Discussion. Labor Unions and Collective Bargaining in Government Agencies]

CHAIRMAN OF PANEL. Should the right of Government employees to strike be admitted? And should the same policy apply to all Government employees?

Mr. WARREN. Certainly on a theoretical basis, I see no reason why Government employees, simply because they are Government employees, should not be entitled to the right to strike. I can see why people might argue that particular types of Government employees should not be entitled to the right to strike; but on the basis of the same argument I see no more reason why the employees of a privately owned power plant should be permitted to strike. The employees of the Bureau of Useless Documents, for example, could strike with much less injury to the public safety and welfare. Of course, under the present policy of the Government, Government employees cannot strike and it is therefore somewhat of an academic question. Personally, I am not in agreement with the general policy.

I might add, Mr. Speaker, that fortunately the President of the United States, whatever his feeling of helplessness may be, does not share Mr. Warren's view and recognizes the principle of sovereignty. For, as the President said at his press conference, May 2, 1946:

If strikes of Government employees occur, the Government will cease to exist.

Mr. GIBSON. Mr. Speaker, I have made many speeches on this subject, but I now ask unanimous consent to insert into the Record a speech I made on October 30, 1941, under the title, "Are We So Weak as To Surrender to John L. Lewis?", that it may be seen that these dangers are not new to me.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ARE WE SO WEAK AS TO SURRENDER TO JOHN L. LEWIS?

(Speech of Hon. JOHN S. GIBSON, of Georgia, in the House of Representatives, October 30, 1941)

Mr. GIBSON. Mr. Speaker, I am so incensed and outraged at what our leader and the Congress is permitting John L. Lewis to do until I feel it my sacred duty to address this body. I am brought to wonder if we are going to hide our heads in the sand and let him take this Government over without firing a gun, while we are crying "Down with the dictators" to the tune of billions of dollars of the taxpayers' money. I wonder if this administration, including this Congress, has become so weak, so afraid, and so spineless as to let one man take from the great people of these United States their right to live as a free people.

What I say I want to predicate on the fact that I have not only supported 100 percent the President's foreign policy, but have warned time after time of the useless delays in effectuating that policy.

I want to commend our President for his present declaration with regard to sponsoring legislation to stop this perfidious conduct in our defense industries. With humility that the question can be asked, I want to inquire why we who have seen this menace growing were unable to get enough support in this House to pass the many bills and amendments that have been before us that would have controlled this enemy of American freedom. I am happy to say I have supported them all. Those who have assisted in their defeat must accept the responsibility. The people are looking to us, they have no other source of protection or redress.

I am happy that my constituency is composed of courageous people who are willing to give their all to preserve American freedom and justice. But when I think of the good women who bend their backs in cotton fields and over washtubs and men who toil at the end of a turpentine puller or dip pad-



dle to help pay the enormous tax we have voted on them and provide support for a large family while their sons live in camps and drill for hours a day at \$21 per month to defeat the aims of a dictator whose purpose it is to take this country over, and we sitting cowardly by and letting a self-appointed dictator not only shut down our defense work but defy the Government to try to interfere, I wonder if we have become so weak that we are not worthy of the protection of a democracy ourselves. The whole thing presents itself to me as a nightmare; it is not possible to actually believe that a country that claims to be free would surrender so passively. Let me tell you something: If we do not take hold of this thing and provide laws to put that fellow where he belongs we will not be worthy of the casual respect of the people of the United States.

Let us pause for a moment and analyze why Lewis called this strike. To better working conditions of labor? No. To secure increased pay for labor? No. To secure a closed shop, the effect of which would be to force each workman to pay dues, as he calls it, to John L. Lewis. Personally, I say it is a brazen, treacherous, and flagrant racketeering scheme to enrich himself at the expense of blood money from the American laborer and the expense of a possible defeat in the greatest conflict the world has ever known. It is unthinkable that the leadership of the American people, including the Congress, would surrender to and be bulldozed by one that every informed person knows would be glad to destroy this Government and that he is making rapid strides in this direction. When I read of his insulting and daring remarks to the President of the United States I wonder "upon what Caesar feasted to become so great." Cowards is the most flattering name we should be referred to by if we do not stop him and place him where he belongs. It is unbelievable that any person who respected the welfare of the populace of the United States would permit this man and others of his kind to cause the loss of more than 17,000,000 working days in defense industries since we have started the great expenditures of American money to try to prepare to defend democracy. Yet this is a fact that cannot be denied. Think of the waste of the taxpayers' money that this has caused simply for the want of leadership and courage in the steering of the great old ship of state. I tell you that this spectacle stands out as an unerasable national disgrace. Not only will it be a blot on the memory of this Congress, but if we do not act and act quickly this Government will be destroyed from this very same source. I make this statement to you in full knowledge of the full meaning of the assertion, and say to you that when it is too late the fruits of his vicious labor will prove the assertion.

I have sat and listened this morning to numerous speeches coming from courageous Members of this House condemning in well-placed language the disgraceful spectacle that we have permitted the American public to become subjected to. I am wondering what we are going to do about it. Personally, I want to here and now go on record as being ready to use my time, my energy, and my life if necessary, to defeat the avowed purposes of John L. Lewis and all of his kind.

In the month of June the gentleman from Oklahoma, Hon. LYLE H. BOREN, and the gentleman from Oklahoma, Hon. Wesley E. Disney, introduced bills numbered H. R. 5148 and H. R. 5149, which with a few amendments would amply take care of those would-be destroyers of our American Government. They have lain as silent as a tomb in committee since said date while the outrages of these enemies have continued to ply their trade. A few weeks ago, I, along with others, wrote the chairman of the Committee on

Labor requesting hearings on the said bills that same may be brought to the floor for final vote. To this date I have heard nothing about any arrangements being made to give us sponsors of these measures a hearing. Why condemn the thief if you sit idly by and let him tote off your goods without a murmur? I am so disgusted until it is impossible for me to fully express my emotions.

I am issuing this call to those Members of this body who condemn the practice of John L. Lewis and others of his kind to meet in caucus and work out proper strategy for bringing a measure to the floor and passing same that will protect the American public from a continuance of the outrages. I have before me a copy of the CIO News, under date of August 4, carrying headlines as follows:

"Antlion report killed in 255-114 House vote; CIO scores again in defeat of anti-strike amendment."

I am thankful to God that I can number myself one of the 114 that voted for this legislation. I wonder what the Members who assisted in defeat of this measure think of the present conduct of the same party who boasts in his publication that his organization "scores again in defeat of anti-strike amendment."

If there is any Member in this House that is ready to form a bloc for the avowed purpose of putting through this House proper restrictive legislation, I invite you here and now to call me and give me your name. I shall be delighted to put any amount of time that is necessary toward pushing legislation through this House that will protect the American public from the destruction that it is headed for if this man is not stopped.

I want to appeal to every Member of this body to build up in himself a courage strong enough to stand up and fight a menace he sees eating into the vitals of his Government, irrespective of its political effect. The loss of one man's political position means nothing to a nation; but when your nation crumbles from under your feet, your political position, your child and mine, go down in destruction to live as serfs in the bondage of slavery.

I call on each Member of this House to rally to the support of the defeat of John L. Lewis and his avowed purposes.

Mr. GIBSON. Mr. Speaker, my closing question is, Will those in power in Washington refuse to come to the aid of the people of this Nation who are now standing on the brink of suffering untold, or shall we continue to stand with bowed heads before a minority group who constitute the most bitter enemies this Nation has ever had and let them continue to kick the good American citizens around?

Mr. SAVAGE. Mr. Speaker, will the gentleman yield?

Mr. GIBSON. I yield.

Mr. SAVAGE. A while ago one of our colleagues, the gentleman from Tennessee [Mr. GORE], announced he had introduced a resolution suggesting an investigation of the conditions of miners and their working and living conditions and so on. Since the gentleman is so close to the activities of the workers and the union to better conditions, does he believe that recommendations made by a committee which would investigate, according to the resolution which has been introduced, should be followed by the Congress and does he believe that the Congress should help straighten out these conditions so the workers would not have to strike?

Mr. GIBSON. In answer to the gentleman, I might say that I do not mean

to attribute any ill purpose to any Member of this body, but if those gentlemen are so serious about their undertakings I ask, why did they wait until the house caught fire before trying to do something to save it? They have been in this body many years and just now are becoming interested in conditions that the miners are working under. I hope that resolution is not a little straw bridge by which the gentleman who introduced it hopes to walk out from under his responsibility.

Mr. SAVAGE. I think probably it has just been brought to the attention of the country more recently than it was before.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. GIBSON. I yield to the gentleman from Michigan.

Mr. HOOK. I was very much concerned because I notice that the gentleman referred to Sidney Hillman and John L. Lewis, who I understand are deadly enemies. I do not believe that Sidney Hillman addressed any letter to the Members of Congress supporting John L. Lewis. But William Green, the head of the American Federation of Labor, did. I notice the gentleman did not mention Mr. Green or the American Federation of Labor. Can he tell us why?

Mr. GIBSON. I am glad you brought that to my attention because I have that letter and I meant to cover that matter. I want to tell you for your benefit that they are not enemies, but friends and allies. Bill Green, for whom I once had very high regard and great respect, after reading the letter he wrote to John Lewis, convinced me that his purpose and his motives are no purer and no higher than those of John Lewis or Sidney Hillman.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. GIBSON. I yield.

Mr. CASE of South Dakota. Will the gentleman yield for a unanimous-consent request that at the place I interrogated him earlier I may insert the quotation from Dr. Edgar L. Warren's testimony which I cited at that time?

Mr. GIBSON. That is all right with me provided you insert it as your own language and not mine because I am not conversant with the facts.

Mr. CASE of South Dakota. As a matter of fact, it will not be my language, but it will be the language of Dr. Warren, together with the citation of his testimony.

Mr. GIBSON. What I meant is that it is being inserted in the RECORD by you. I am not questioning the veracity of it, but I want to speak on subjects only on my own knowledge and I will insert things in the RECORD only on my own knowledge.

Mr. CASE of South Dakota. I am glad to have that understanding.

Mr. SAVAGE. Mr. Speaker, will the gentleman yield?

Mr. GIBSON. I yield.

Mr. SAVAGE. The gentleman has not yet answered my question. He did comment on it. But my question was, Would the gentleman be willing for the Congress to help these workers in remedying these

conditions if they are found to be as reported?

Mr. GIBSON. I think the coal miner has the worst work of any man in the world. I do not know what he is paid. I think it is very timely that this Congress investigate and see if their wages are sufficient and also investigate to see what his working conditions are.

Mr. SAVAGE. And their living conditions?

Mr. GIBSON. Yes, and living conditions. I have been told by some that the wages are very good and by others that they are not. I am not an enemy of the men who go down in the earth to do that work. It is hard. But I do not think that the power to tax should be put into the hands of John Lewis or any other man to set up a life insurance or health fund for anyone. I think their wages should be sufficient to take care of them and their own health funds, just like you and I and farmers and other people of this Nation have to do. I see no harm in making an investigation. If it is done with sincerity and with proper purpose, much good can come from it.

The SPEAKER. The time of the gentleman from Georgia has expired.

(Mr. CASE of South Dakota asked and was given permission to revise and extend his remarks and include therein a quotation.)

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BAILEY, for Monday, May 13, on account of illness in immediate family.

To Mr. HARE, for Monday, May 13, on account of official business.

#### ENROLLED BILL SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5936. An act to provide for the evacuation and return of the remains of certain persons who died and are buried outside the continental limits of the United States.

#### BILL PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 3936. An act to provide for the evacuation and return of the remains of certain persons who died and are buried outside the continental limits of the United States.

#### ADJOURNMENT

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 2 minutes p. m.), under its previous order, the House adjourned until Monday, May 13, 1946, at 12 o'clock noon.

#### COMMITTEE HEARINGS

##### COMMITTEE ON THE JUDICIARY

There will be a hearing before Subcommittee No. 1 of the Committee on the

Judiciary on the bill (H. R. 5089) to amend the First War Powers Act, 1941, beginning at 10 a. m. on Thursday, May 16, 1946. The hearing will be held in room 346, House Office Building (Judiciary Committee room).

#### EXECUTIVE COMMUNICATIONS, ETC.

1282. Under clause 2 of rule XXIV, a letter from the Clerk, House of Representatives, transmitting a list of reports which it is the duty of any officer or department to make to Congress (H. Doc. No. 573), was taken from the Speaker's table, referred to the Committee on Accounts, and ordered to be printed.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAY: Committee on Military Affairs. Senate Joint Resolution 159. Joint resolution to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946; without amendment (Rept. 1995). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOOD: Committee on Un-American Activities submits report on the subject of the sources of financial aid for subversive and un-American propaganda (Rept. No. 1996). Referred to the Committee of the Whole House on the State of the Union.

Mr. BULWINKLE: Committee on Printing. House Resolution 613. Resolution authorizing that there be printed for the use of the Committee on the Judiciary of the House of Representatives additional copies of House Report No. 1980, accompanying the bill (S. 7) to improve the administration of justice by prescribing fair administrative procedure; without amendment (Rept. No. 1997). Referred to the House Calendar.

Mr. BONNER: Committee on the Merchant Marine and Fisheries. H. R. 6219. A bill to authorize the commandant of the United States Coast Guard to accept enlistments of certain individuals for duty at lifeboat stations during the year 1946; with amendment (Rept. No. 1998). Referred to the Committee of the Whole House on the State of the Union.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 1999. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Committee on Expenditures in the Executive Departments. H. R. 6336. A bill to authorize the administrator of the War Assets Administration to lend or sell surplus property equipment for use at the twenty-eighth annual national convention of the American Legion; with amendment (Rept. No. 2001). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 6371. A bill to amend certain provisions of the National Service Life Insurance Act of 1940, as amended, and for other purposes; with amendments (Rept. No. 2002). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. S. 1980. An act to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities; without amendment (Rept. No. 2003). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 6305. A bill to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments; with amendment (Rept. No. 2004). Referred to the Committee of the Whole House on the State of the Union.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CURTIS:

H. R. 6405. A bill to amend section 115 of the Internal Revenue Code in respect of distributions by personal holding companies; to the Committee on Ways and Means.

By Mr. FISHER:

H. R. 6406. A bill authorizing the State of Texas, acting through the State Highway Commission of Texas, or the successors thereof, to acquire, construct, maintain, and operate a free bridge across the Rio Grande at or near Del Rio, Tex.; to the Committee on Interstate and Foreign Commerce.

By Mr. MANSFIELD of Texas:

H. R. 6407. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. McCONNELL:

H. R. 6408. A bill to authorize the War Shipping Administration and the Maritime Commission to make available certain surplus property to certain maritime academies; to the Committee on the Merchant Marine and Fisheries.

By Mr. BUCK:

H. R. 6409. A bill to authorize the President of the United States to declare certain strikes contrary to the national interest and for other purposes; to the Committee on Labor.

By Mr. STIGLER:

H. R. 6410. A bill authorizing the Secretary of Agriculture to lease the interest of the United States in minerals in or under certain real property located in Muskogee County, Okla.; to the Committee on Agriculture.

By Mr. GORE:

H. Con. Res. 147. Concurrent resolution authorizing an investigation of working conditions in the anthracite and bituminous mining industries; to the Committee on Rules.

By Mr. ROGERS of Florida:

H. Res. 614. Resolution making H. R. 4051, together with committee amendments, to grant to enlisted personnel of the armed forces certain benefits in lieu of accumulated leave, a special order of business; to the Committee on Rules.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolution were introduced and severally referred as follows:

By Mr. BYRNE of New York:

H. R. 6411. A bill for the relief of Joseph E. Killian, Jr.; to the Committee on Military Affairs.

By Mr. CLEMENTS:

H. R. 6412. A bill for the relief of G. H. Lazarus, Jr., and Jesse F. Bewley; to the Committee on Claims.

By Mr. HOBBS:

H. R. 6413. A bill for the relief of J. W. Dopson; to the Committee on Claims.

H. R. 6414. A bill for the relief of G. E. Enslin, Sr.; to the Committee on Claims.

By Mr. TAYLOR:

H. R. 6415. A bill granting an increase of pension to Elizabeth Higley West; to the Committee on Invalid Pensions.



## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1875. By Mr. HEFFERNAN: Petition of Mary S. McDowell, of 25 Rugby Road, Brooklyn, N. Y., and signers, in opposition to conscription; to the Committee on Military Affairs.

1876. By Mrs. ROGERS of Massachusetts: Memorial of the General Court of Massachusetts, against the closing of Fort Devens and the Lovell General Hospital; to the Committee on Military Affairs.

## SENATE

MONDAY, MAY 13, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, as another week claims our strength and our days, grant us such courage for the right and such confidence in the triumph of the good that our efforts for a just solution of the tangled problems of humanity may never falter. May our own spirits be so dominated and motivated by good will that our supreme gift to a troubled world shall be to buttress those forces which must at last beat down every barrier to brotherhood and to equality of opportunity. Endue us with such understanding wisdom of the total pattern of human needs that every vexed question of boundary and trade, of production and distribution, of language and culture may be changed into bridges across all the chasms that separate man from man. Give us such faith that when the climbing way is hard and steep we may still follow the gleam, nor turning back, march breast forward to the city which hath the foundations of God. In the dear Redeemer's name. Amen.

## THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, May 10, 1946, was dispensed with, and the Journal was approved.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1980) to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities.

The message also announced that the House had passed a bill (H. R. 6305) to make permanent the provisions of the

act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments, in which it requested the concurrence of the Senate.

## ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5059) to provide additional compensation for postmasters and employees of the postal service, and it was signed by the President pro tempore.

## REPORT OF GOVERNOR OF THE PANAMA CANAL

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Inter-oceanic Canals:

(For President's message, see today's proceedings of the House of Representatives on p. 4924.)

## EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

LAWS PASSED BY MUNICIPAL COUNCIL OF ST. THOMAS AND ST. JOHN, AND LEGISLATIVE ASSEMBLY, VIRGIN ISLANDS

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of legislation passed by the Municipal Council of St. Thomas and St. John, and by the Legislative Assembly of the Virgin Islands (with accompanying papers); to the Committee on Territories and Insular Affairs.

## REPORT OF DIRECTORS OF THE FEDERAL PRISON INDUSTRIES, INC.

A letter from the Secretary of the Federal Prison Industries, Inc., Department of Justice, Washington, D. C., transmitting, pursuant to law, the Annual Report of the Directors of the Federal Prison Industries, Inc., for the fiscal year 1945 (with an accompanying report); to the Committee on the Judiciary.

## CLAIM OF JOHN E. PETERSON ET AL.

A letter from the Administrator of the National Housing Agency, transmitting a draft of proposed legislation for the relief of John E. Peterson, James M. Hiler, Vivian Langemo, Floy Sible, and Ross Lee Brown (with an accompanying statement); to the Committee on Claims.

## FINANCIAL STATEMENT OF THE AMERICAN LEGION

A letter from the Director of the National Legislative Committee of the American Legion, Washington, D. C., transmitting, pursuant to law, the final financial statement of the American Legion for the calendar year ended December 31, 1945 (with an accompanying statement); to the Committee on Finance.

## DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER

members of the committee on the part of the Senate.

## PETITIONS

Petitions, etc., were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the City Council of the City of Rockford, Ill., favoring the retention of the Office of Price Administration; to the Committee on Banking and Currency.

A resolution adopted by the international convention of the Office Employees International Union at Milwaukee, Wis., favoring the continuation of the Office of Price Administration, extension of the Second War Powers Act, and consumers' subsidy program; to the Committee on Banking and Currency.

A letter in the nature of a petition from Howard L. Minker, Washington, D. C., praying an amendment to the Constitution to relieve the distress of the people of the Nation; to the Committee on the Judiciary.

A letter in the nature of a petition from Eleanor Nelson, secretary-treasurer, United Public Workers of America (CIO), Washington, D. C., praying for the prompt enactment of legislation to increase the salaries of Federal employees; ordered to lie on the table.

A telegram in the nature of a petition from the board of directors of Americans United for World Government, New York City, N. Y., signed by Raymond Swing, chairman, praying for the complete mobilization of American industry and agriculture to meet the world famine; to the Committee on Foreign Relations.

## THE COAL STRIKE

Mr. CAPPER. Mr. President, I have received a telegram from Elmo J. Mahoney, president, Russell County Farm Bureau, of my State, Kansas, asking that action be taken at once to settle the coal strike. I am in full accord with his appeal and ask unanimous consent to have the telegram printed in the RECORD and appropriately referred.

There being no objection, the telegram was received, ordered to lie on the table, and to be printed in the RECORD, as follows:

DORRANCE, KANS., May 10, 1946.  
Senator ARTHUR CAPPER,  
United States Senate,  
Washington, D. C.:

For the sake of our national economy and the people you represent at home, take action at once to settle the coal strike and be courageous enough to give us laws to protect us from such a catastrophe in future. We just won't tolerate the dictatorial attitude of these strike leaders any longer.

ELMO J. MAHONEY,  
President of Russell County Farm  
Bureau.

## THE LABOR SITUATION

Mr. CAPPER. Mr. President, I have received an interesting statement from C. H. Martin, of the Martin Tractor Co., Topeka, Kans., protesting against the conditions which exist at the present time with respect to the labor situation. Mr. Martin makes an earnest appeal for the passage of the Case bill, and I am in accord with his stand on that matter. I ask unanimous consent to have the statement printed in the RECORD and appropriately referred.

There being no objection, the statement was received, ordered to lie on the